Aurania Finds New Epithermal Target: Gold Found in Streams

04.05.2021 | Newsfile

Toronto, May 4, 2021 - Aurania Resources Ltd. (TSXV: ARU) (OTCQB: AUIAF) (FSE: 20Q) ("Aurania" or the "Company") reports on a new epithermal target called Kuripan in its Lost Cities - Cutucu Project ("Project") in southeastern Ecuador. Gold has been panned from streams that drain the target area.

The streams where gold was panned drain an area in which silica veinlets that have typical epithermal characteristics, occur in volcanic tuff. Results from stream sediment sampling show that, in addition to gold and silver, the area is enriched in pathfinder elements such as naturally occurring arsenic and antimony.

Aurania's Chairman & CEO, Dr. Keith Barron commented, "After focusing on our silver-zinc discovery in the last few press releases, I'm very pleased to report that we have an exciting new target where we've been able to pan gold from streams draining an area that has an epithermal signature. Furthermore, indications from the field are that this is an "intermediate-sulphidation" epithermal system - the same type of mineralization as Lundin Gold's Fruta del Norte mine 100 kilometres to the south of us in the Cordillera del Condor."

Geological Details of the Kuripan Target
Gold was panned from streams over an area of approximately 12 square kilometres (Figure 1). Pan concentrates returned values of up to 1 gram per tonne ("g/t") and the gold grains have an irregular shape consistent with a local source (Figure 2). Stream sediment sample results have elevated concentrations of silver, arsenic and antimony (Figure 1), and mercury, molybdenum, selenium and thallium.

The target area lies within a sequence of black shales and siltstones of the Jurassic Santiago Formation. These strata are extensively silicified in the target area and some chalcedonic silica contains casts of adularia (Figure 2), a key alteration mineral found in low- and intermediate- sulphidation epithermal systems. Banded chalcedonic veinlets are located in volcanic tuff, which is not an ideal host for epithermal veins because the rock is not sufficiently brittle for intense veining to occur. The target for well-developed epithermal veins is the thick lavas beneath the area in which gold occurs at surface.

A clay-altered diatreme breccia is located near the target area and near where the adularia casts were found (Figure 1). The diatreme is reminiscent of the lower parts of the maar-diatreme systems at Crunchy Hill and Yawi.

The occurrence of adularia with extensive manganese oxide staining suggests that the mineralized system is an intermediate-sulphidation epithermal.

Next Steps
Soil sampling teams are operating in the Kuripan area - the intention being to define the area from which the gold is being eroded into the streams. More detailed geological mapping is underway to refine the target with emphasis on the distribution of brittle lavas that lie beneath the target area.

Figure 1. a. Plan view of distribution of gold values in pan concentrate samples in the Kuripan target area. Also shown is the location of silica with casts of adularia. b. Distribution of silver in stream sediment samples. c. Distribution of naturally occurring arsenic in stream sediment samples. d. Distribution of antimony in stream sediment samples.

To view an enhanced version of Figure 1, please visit:
https://orders.newsfilecorp.com/files/2477/82766_eb775b009418da83_001full.jpg

Figure 2. a. Field guide panning in the Kuripan target area. b. Gold grains from one of the sample sites in a wooden pan. c. Chalcedonic silica from a banded vein. d. Casts of weathered-out adularia crystals evident in chalcedonic silica.

To view an enhanced version of Figure 2, please visit:
https://orders.newsfilecorp.com/files/2477/82766_eb775b009418da83_002full.jpg

Sample Analysis & Quality Assurance / Quality Control ("QAQC")

Laboratories: The stream and pan concentrate samples were prepared for analysis at MS Analytical ("MSA") in Cuenca, Ecuador, and the analyses were done in Vancouver, Canada.

Sample preparation: The pan concentrate samples were jaw-crushed to 10 mesh (crushed material passes through a mesh with apertures of 2 millimetres ("mm")), from which a one-kilogram sub-sample was taken. The sub-sample was crushed to a grain size of 0.075mm and a 200-gram ("g") split was set aside for analysis.

The stream sediment samples were wet-sieved through a 20 mesh (0.84mm) screen in the field and placed in cloth bags so that excess water could drain. The samples were transported from the field to Aurania's field office in Macas, Ecuador and batched for delivery to at MSA in Cuenca, for drying and screening at 80 mesh (0.18mm sieve aperture). The -80 mesh silt was packaged by MSA for analysis.

Analytical procedure: Approximately 0.25g of pan concentrate pulp or -80# soil underwent four-acid digestion and analysis for 48 elements by ICP-MS.

Stream sediment: a 0.5g split of the -80 mesh fraction of the stream silt underwent digestion with aqua regia and the liquid was analyzed for 48 elements by ICP-MS.

Apart from being analyzed by ICP-MS, gold was also analyzed by fire assay with an ICP-AES finish.

QAQC: Aurania personnel inserted a certified standard pulp sample, alternating with a field blank, at approximate 20 sample intervals in all sample batches. Aurania's analysis of results from its independent QAQC samples showed the batches reported on above, lie within acceptable limits. In addition, the labs reported that the analyses had passed their internal QAQC tests.

Qualified Person
The geological information contained in this news release has been verified and approved by Jean-Paul Pallier, MSc. Mr. Pallier is a designated EurGeol by the European Federation of Geologists and a Qualified Person as defined by National Instrument 43-101, Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators.

About Aurania
Aurania is a mineral exploration company engaged in the identification, evaluation, acquisition and exploration of mineral property interests, with a focus on precious metals and copper in South America. Its flagship asset, The Lost Cities - Cutucu Project, is located in the Jurassic Metallogenic Belt in the eastern foothills of the Andes mountain range of southeastern Ecuador.

Information on Aurania and technical reports are available at www.aurania.com and www.sedar.com, as well as on Facebook at https://www.facebook.com/auranialtd/, Twitter at https://twitter.com/auranialtd, and LinkedIn at https://www.linkedin.com/company/aurania-resources-ltd-.

For further information, please contact:

Carolyn Muir

VP Investor Relations
Aurania Resources Ltd.
(416) 367-3200
carolyn.muir@aurania.com

Dr. Richard Spencer
President
Aurania Resources Ltd.
(416) 367-3200
richard.spencer@aurania.com

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

Forward-Looking Statements
This news release may contain forward-looking information that involves substantial known and unknown risks and uncertainties, most of which are beyond the control of Aurania. Forward-looking statements include estimates and statements that describe Aurania's future plans, objectives or goals, including words to the effect that Aurania or its management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to Aurania, Aurania provides no assurance that actual results will meet management's expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to Aurania's objectives, goals or future plans, statements, exploration results, potential mineralization, the corporation's portfolio, treasury, management team and enhanced capital markets profile, the estimation of mineral resources, exploration, timing of the commencement of operations and estimates of market conditions. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, failure to identify mineral resources, failure to convert estimated mineral resources to reserves, the inability to complete a feasibility study which recommends a production decision, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, regulatory, environmental or other project approvals, political risks, inability to fulfill the duty to accommodate indigenous peoples, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, the effects of COVID-19 on the business of the Company including but not limited to the effects of COVID-19 on the price of commodities, capital market conditions, restrictions on labour and international travel and supply chains, and those risks set out in Aurania's public documents filed on SEDAR. Although Aurania believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Aurania disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

To view the source version of this press release, please visit https://www.newsfilecorp.com/release/82766