

Orvana Announces Taguas Resource Estimate Increase to 2.6 Million Gold Equivalent Ounces

05.07.2021 | [CNW](#)

- NI 43-101 report estimates 133.6Mt Inferred Resource at 0.60 g/t gold equivalent
- 947K AuEqOz, 55.5Mt of total resource, are low-cost oxides to be prioritized for full development
- 1,649K AuEqOz, 78.2Mt of total resource, are sulfides
- Updated oxides' NI 43-101 Preliminary Economic Assessment expected later this year
- Continued steady operational performance, coupled with the positive outcomes of Orvana's exploration strategy, positions the Company as a consistent gold producer with clear growth prospects

TORONTO, July 5, 2021 - [Orvana Minerals Corp.](#) (TSX: ORV) (the "Company" or "Orvana") has updated the Mineral Resource Estimate of its Taguas Project, located in San Juan Province, Argentina. Taguas consists of 15 mining concessions over an area of 3,273.87 ha. The property is located approximately 25km north of Barrick Gold Corporation's Veladero operation.

"With Orvana's Exploration Team on delivering this highly successful outcome for the Taguas Project, we are extremely pleased to be establishing the foundation of a new operation for the Company" stated Juan Gavidia, CEO of Orvana. "Developing the first million AuEqOz, as low cost oxides, with additional sulfides in later years, makes Taguas a long term high value creation asset for Orvana."

Mr. Gavidia concluded, "Predictable operations and results-oriented exploration, are strategic strengths of Orvana that focus on steady production and continued growth. These strengths will continue to be enhanced for the long term benefit of our shareholders. When taken together with the stabilized production at Orovalle, the development of Taguas will diversify risk and increase the future production profile of Orvana."

The updated Mineral Resource Estimate disclosed herein includes both oxide and sulphide ore of three areas: Cerro Taguas, Cerro Silla Sur and Cerro Campamento, and is the result of drilling programs completed between 1985 and 2021.

A Technical Report prepared by Geosim Services Inc. (Geosim) of Vancouver in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects, has been completed and will be filed on SEDAR within 45 days of this news release. The Mineral Resource estimate contained in the technical report was completed by Ronald Simpson P.Geo. (Geosim Services Inc.).

Mineral Resource Estimate

The update of the Mineral Resource Estimate was conducted by Ronald Simpson P.Geo. of Geosim, a Qualified Person under National Instrument NI 43-101 - Standards of Disclosure for Mineral Projects, using Geovia-Surpac© software.

Geosim has worked with the Company's personnel to review the geology models, and independently developed geological models, estimated and reported the mineral resources for Taguas. In all, there are three mineralized bodies identified through drilling and exploration drifts. These were used as hard boundaries for the purposes of the estimation. The resource is supported by a database featuring over 56,585.35 meters of drilling.

The block models were created by Geosim and have been estimated using Inverse Distance weighting method to the third power (ID3). Geosim has validated the estimation for each model using a variety of methods considered to be industry standard. These methods include a visual comparison of the blocks versus the composites, an assessment of the quality of the estimate, and comparative statistics of block

estimates vs. composites. The mineral resources have been estimated and reported in conformity with generally accepted CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices, November 29, 2019" guidelines.

The June 30, 2021 mineral resource statement for the Taguas Project is presented in Table 1:

Table 1: Taguas Inferred Mineral Resource Estimate as at June 30, 2021 - Geosim Services Inc

Zone	Material Type	COG Tonnes			Grade							Contained Metal			
		AuEq (000 t)	Au (g/t)	Ag (g/t)	Au (g/t)	Ag (g/t)	Cu (%)	AuEq (g/t)	0z (000 t)	Au (0z)	0z (000 t)	Ag (M)	lb Cu (0z)	AuEq (000 t)	
Cerros Taguas	Oxide	0.25	54,993	0.35	12.1	-	0.49	619	21,429	-	-	-	872		
	Sulfide	0.30	76,362	0.25	6.4	0.18	0.56	606	15,639	304.7	1,372	-	-		
Cerro Silla Sur	Oxide	2.00	228	3.30	42.87	-	3.80	24	314	-	-	28			
	Sulfide	2.00	522	3.07	64.47	0.35	4.28	51	1,082	4.0	72	-			
Cerro Campamento	Oxide	2.00	243	5.50	45.76	-	6.04	43	357	-	-	47			
	Sulfide	2.00	1,279	3.73	40.56	0.55	4.94	153	1,668	15.6	203	-			
Consolidated	Oxide	-	55,464	0.38	12.39	-	0.53	686	22,100	-	-	947			
	Sulfide	-	78,162	0.32	7.32	0.19	0.66	811	18,388	324.3	1,649	-			
	TOTAL		133,627	0.35	9.42	0.11	0.60	1,497	40,489	324.3	2,595	-			

Notes Cerros Taguas Inferred Mineral Resource Estimate:

1. Mineral resource estimate prepared by Mr. R. Simpson, P.Geo., of GeoSim Services Inc. with an effective date of June 30, 2021. Mineral Resources are classified using the 2014 CIM Definition Standards.
2. Gold equivalent (AuEq g/t) calculations were based on assumed metal prices of \$1700/oz Au, \$20/oz Ag, and \$3.25/lb Cu. $AuEq = Au(g/t) + Ag(g/t) * 0.0118 + Cu * 1.311$.
3. Cut-off grades are 0.25 g/t AuEq for oxide material and 0.30 g/t AuEq for sulfide material.
4. An optimized pit shell was generated using the following assumptions: metal prices in Note 2 above; Oxide recoveries of 87% Au, 52% Ag. Sulfide recoveries of 90% Au, 60% Ag and 90% Cu. A 45° pit slope; mining costs of \$2.00 per tonne, processing costs of \$5.20 per tonne in oxide and \$9.00 per tonne in sulfide. General & administrative charges of \$1.50 per tonne. All amounts are expressed in US dollars.
5. Totals may not sum due to rounding.
6. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

Notes Cerros Silla Sur and Cerro Campamento Inferred Mineral Resource Estimate:

1. Mineral resource estimate prepared by Mr. R. Simpson, P.Geo., of GeoSim Services Inc. with an effective date of June 30, 2021. Mineral Resources are classified using the 2014 CIM Definition Standards.
2. Gold equivalent (AuEq g/t) calculations were based on assumed metal prices of \$1700/oz Au, \$20/oz Ag, and \$3.25/lb Cu. $AuEq = Au(g/t) + Ag(g/t) * 0.0118 + Cu * 1.311$
3. Cut-off grade is 2.0 g/t AuEq.
4. Vein models were diluted to a minimum width of 1.5m.
5. Totals may not sum due to rounding.
6. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

Quality Control

All technical data contained in this news release has been reviewed and approved by:

- Ronald G. Simpson, P.Geo., Mineral Resource Consultant, Geosim Services Inc.
- Raul Alvarez, EurGeol., Director of Exploration & Technical Services, [Orvana Minerals Corp.](http://www.orvana.com)

ABOUT ORVANA - Orvana is a multi-mine gold-copper-silver company. Orvana's assets consist of the producing El Valle and Carlés gold-copper-silver mines in northern Spain, the Don Mario gold-silver property in Bolivia, currently in care and maintenance, and the Taguas property located in Argentina. Additional information is available at Orvana's website (www.orvana.com).

Cautionary Statements - Forward-Looking Information

Certain statements made herein constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, potentials, future events or performance (often, but not always, using words or phrases such as "believes", "expects", "plans", "estimates", "intends" or "anticipates" or stating that certain actions, events or results "may", "could", "would", "might", "will" or "are projected to" be taken or achieved) are not statements of historical fact, but are forward-looking statements.

The forward-looking statements herein relate to, among other things: Orvana's ability to achieve improvement in free cash flow; the potential to extend the mine life of El Valle and Don Mario beyond their current life-of-mine estimates including specifically, but not limited to in the case of Don Mario, the processing of the mineral stockpiles and the reprocessing of the tailings material; Orvana's ability to optimize

its assets to deliver shareholder value; the Company's ability to optimize productivity at Don Mario and El Valle; sufficient funding to carry out development plans at Taguas; any measures taken by the Company to prevent and/or mitigate the impact of COVID-19 and other infectious diseases at or near the Company's mines and support the sustainability of its business including through the development of crisis management plans, increasing stock levels for key supplies, monitoring of guidance from the medical community, and engagement with local communities and authorities; estimates of future production, operating costs and capital expenditures; mineral resource and reserve estimates; statements and information regarding future feasibility studies and their results; future metal prices; the ability to achieve additional growth and geographic diversification; future financial performance, including the ability to increase cash flow and profits; future financing requirements; and mine development plans. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained or incorporated by reference in this news release, which may prove to be incorrect, include, but are not limited to, the various risks, uncertainties, contingencies and other factors mentioned in the Company's most recent Management's Discussion & Analysis and Annual Information Form in respect of the Company's most recently completed fiscal year (the "Company Disclosures") or as otherwise expressly incorporated herein by reference as well as: there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment or otherwise; permitting, development, operations, expansion and acquisitions at El Valle and Don Mario being consistent with the Company's current expectations; political developments in any jurisdiction in which the Company operates being consistent with its current expectations; certain price assumptions for gold, copper and silver prices for key supplies being approximately consistent with current levels; production and cost of sales forecasts meeting expectations; and the accuracy of the Company's current mineral reserve and mineral resource estimates, and labour and materials costs increasing on a basis consistent with Orvana's current expectations.

A variety of inherent risks, uncertainties and factors, many of which are beyond the Company's control, affect the operations, performance and results of the Company and its business, and could cause actual events or results to differ materially from estimated or anticipated events or results expressed or implied by forward looking statements. Some of these risks, uncertainties and factors include the effect of COVID-19 and other infectious diseases on the Company's operations, workforce and supply chain, fluctuations in the price of gold, silver and copper; the need to recalculate estimates of resources based on actual production experience; the failure to achieve production estimates; variations in the grade of ore mined; variations in the cost of operations; the availability of qualified personnel; the Company's ability to obtain and maintain all necessary regulatory approvals and licenses; the Company's ability to use cyanide in its mining operations; risks generally associated with mineral exploration and development, including the Company's ability to continue to operate the El Valle and/or Don Mario and/or ability to resume long-term operations at the Carlés Mine; the Company's ability to successfully implement a sulphidization circuit and ancillary facilities to process the current oxides stockpiles at Don Mario; the Company's ability to acquire and develop mineral properties and to successfully integrate such acquisitions; the Company's ability to execute on its strategy; the Company's ability to obtain financing when required on terms that are acceptable to the Company; challenges to the Company's interests in its property and mineral rights; current, pending and proposed legislative or regulatory developments or changes in political, social or economic conditions in the countries in which the Company operates; general economic conditions worldwide; and the risks identified in the Company's disclosures. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements and reference should also be made to the Company's Disclosures for a description of additional risk factors.

Any forward-looking statements made herein with respect to the anticipated development and exploration of the Company's mineral projects are intended to provide an overview of management's expectations with respect to certain future activities of the Company and may not be appropriate for other purposes.

Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions and, except as required by law, the Company does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change. Readers are cautioned not to put undue reliance on forward-looking statements.

View original content to download

multimedia:<https://www.prnewswire.com/news-releases/orvana-announces-taguas-resource-estimate-increase-to-2-6-r>

SOURCE [Orvana Minerals Corp.](https://www.prnewswire.com/news-releases/orvana-announces-taguas-resource-estimate-increase-to-2-6-r)