# High-Grade Awaruite Obtained During Site Visit to Letain Along 1 km X 1.3 km Known Nickel-Cobalt Mineralization Zone

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VANCOUVER, July 14, 2021 - Margaret Lake Diamonds Inc. ("MLD" or the "Company") (TSXV:DIA) (FKT:M85) is pleased to announce samples taken revealed a high concentration of coarse grain awaruite and management is having 10 x 5 kilogram rock chip samples tested by SGS Canada using "Davis Tube" (magnetic separation to obtain % magnetics) and assay on the concentrate product and tailings for Fe, Ni, S, Cr, Co as well as Rapid Mineralogical Scan on one composite sample. A report has recently been filed in compliance with National Instrument 43-101; the completed report is available under the Company's profile on SEDAR at www.sedar.com.

Figure 1 - Site visit to focus on 1km x 1.3km area of known Nickel-Cobalt mineralization

The Letain Property has similar geology and awaruite mineralization (fine and coarse grain texture) that is comparable to First Point Minerals Decar Property located in central BC. Decar contains an indicated resource of 1.99 billion tonnes at 0.122% magnetically recovered nickel, and inferred resource of 0.59 billion tonnes at 0.114% magnetically recovered nickel (updated mineral resource estimate by GeoSim Services Inc. September 9, 2020, FPX website). The high magnetic susceptibility and high density (specific gravity 8.2) makes awaruite amenable to magnetic and gravity separation. Margaret Lake Diamonds made a recent site visit to Letain by Qualified Person Jo Shearer (M.Sc., P.Geo.). Samples were taken in the area where previous sampling revealed a high concentration of coarse grained awaruite, [and management is having 10 x 5 kilogram rock chip samples tested by SGS Canada using "Davis Tube" (magnetic separation to obtain % magnetics) and assay on the concentrate product and tailings for Fe, Ni, S, Cr, Co as well as Rapid Mineralogical Scan on one composite sample]. This test will provide suitable information to assess preliminary metallurgy and contingent on results of SGS Davis Tube tests, further metallurgy may be planned for a larger sample, as well as preparing application for MX permits in order to drill test the awaruite bearing mineralization.

The Letain Property is located within the Cassiar Mountains approximately 70 kilometers ESE of Dease Lake in northern BC. The Letain Ni-(Co-Cr) property covers part of the Cache Creek Complex, which is an abducted ophiolitic sequence. Early exploration work demonstrates that ultramafic host natural occurring Ni-Fe alloys, and that fine to medium awaruite grains are disseminated in the serpentinized host rock. The peridotite also contains late stage fracture filling nephrite (associated with apple green colored, sheared texture picrolite and lizardite) hosted in antigorite-magnetite bearing serpentinite. In 2011, First Point Minerals conducted rock chip sampling that confirmed the presence of awaruite disseminated within the ultramafic (peridotite, dunite, mafic dyke) complex. Awaruite mineralization occurs in 2 different habits: fine Ni-Fe alloys or larger composite grains. Fine awaruite grains (10-100 µm) are disseminated in the serpentine matrix. NiFe alloys have a highly reflective white/silver color. Larger composite grains (100-300 µm) are a mixture of Ni-Fe alloys and lesser Ni-Fe sulphides. Subsequent mapping and sampling have shown the north portion of the property the peridotite is massive, black in color with fewer vein-fracture textures and the change in texture and color of the peridotite appears to have little or no effect on the Ni-Cr-Co content which appears to be relatively consistent (2,000-3,000 ppm Ni, 1,000-3,000 ppm Cr and 100-150 ppm Co) throughout the ultramafic that were rock chip sampled in 2017, covering a 1,000 X 1,200 meter area.

Letain Nickel

The Letain Ni claims cover ultramafic rocks that consist of variably deformed and serpentinized peridotite and minor dunite, associated intrusive mafic dykes, and fault-bound volcanic and sedimentary rocks which are part of the ophiolitic Cache Creek Group allochthonous terrain. Several peridotite-hosted zones contain fine and coarse Ni-Fe alloy grains (awaruite), which are exposed as bedrock ridges in the east-central portion of the claim group at 1,700-2,050 m elevation. Disseminated fine to coarser grain awaruite was found in serpentinized ultramafic rocks. In the north portion of the property the peridotite is massive, black in colour

with fewer vein-fracture textures, however the change in texture of the peridotite appears to have little or no effect on the Ni-Cr-Co content which appears to be relatively consistent (2,000-3,000 ppm Ni, 1,000-3,000 ppm Cr and 100-150 ppm Co) throughout the ultramafic complex exposed on Tenure #1058958. Samples from the central ridge of the property delineated a 1,100-metre-long discontinuous zone of coarse-grained (>100µm) awaruite. Rock chip samples (25 in total) in 2018 covered a 1 km x 1.3 km area located in the east-central part of the claims, where First Point Minerals discovered fine and coarse-grained awaruite (native Ni-Fe) mineralization in 2010-2011. Awaruite mineralization occurs in 2 different habits, fine Ni-Fe alloys or larger composite grains. Fine awaruite grains (10-100 µm) are disseminated in the serpentine matrix. NiFe alloys have a highly reflective white/silver color. Larger composite grains (100-300 µm) are a mixture of Ni-Fe alloys and lesser Ni-Fe sulphides. Awaruite (native Ni-Fe) occurrences are the focus of economic mineralization on the Letain nickel property.

Options

On July 14th the Board of Directors has approved the issuance of 3,000,000 options, which will vest immediately to officers and directors of the Company. Each option is exercisable into one common share of the Company (each, a "Common Share") at an exercise price of $0.05 per Common Share and has a term of five years.

The total number of outstanding options under the Company's plan including the grant above is now 3,500,000 options or approximately 6% of the outstanding Common Shares. The Stock Option Plan allows for up to 10% of the outstanding Common Shares to be reserved for stock options.

Qualified Person

The Qualified Person for this news release is Jo Shearer, an independent economic geologist with extensive experience in mineral exploration throughout North America. A Qualified Person under the provisions of National Instrument 43-101. Readers are cautioned that the information in this press release regarding the property of FPX Nickel is not necessarily indicative of the mineralization of the property of interest.

Contact Information

Neil Foran
Chief Executive Officer

(604) 681-7735
neil@margaretlakediamonds.com



Forward-Looking Statements

This press release contains forward-looking information or forward-looking statements (collectively "forward-looking information") within the meaning of applicable securities laws. Forward-looking information is typically identified by words such as: "believe", "expect", "anticipate", "intend", "estimate", "potentially" and similar expressions, or are those, which, by their nature, refer to future events. The Company cautions investors that any forward-looking information provided by the Company is not a guarantee of future results or performance, and that actual results may differ materially from those in forward-looking information as a result of various factors. The reader is referred to the Company's public filings for a more complete discussion of such risk factors and their potential effects, which may be accessed through the Company's profile on SEDAR at www.sedar.com.

SOURCE: Margaret Lake Diamonds Inc.

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