

Eagle Plains Provides Update on Expanded Vulcan Drill Program, Announces Flow-through Financing

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CRANBROOK, July 20, 2023 - [Eagle Plains Resources Ltd.](#) (TSXV:EPL) ("EPL" or "Eagle Plains" or the "Company") is pleased to report that diamond drilling activity continues ahead of pace at its 100%-owned Vulcan Project, located 30km west of Kimberley, BC. To date, a total of over 2600m has been drilled, with VU22004 (drilled in 2022) extended and three new holes drilled (VU23001-003). The recently-expanded program will now include a minimum of 4,000m (13,120') of diamond drilling in at least 5 holes at the Hilo/West Basin Zone, following up on encouraging results obtained during this ongoing program and from 2022 drilling (details following). In addition, the company intends to complete a flow-through private placement financing to facilitate additional drilling and geophysical work this season (details following).

Drill-hole VU23003 was recently drilled at -70° towards azimuth 075° to a total depth of 824.7m and provided important information relating to mineralization encountered down-dip of drill-hole VU23002, as described below and reported in a news release issued July 10, 2023. VU23003 intersected a significantly thicker interval of sand and pebble conglomerate (fragmental) than seen in previous holes (from 321.0-681.5m). Preliminary interpretation of the rapidly thickening fragmental indicates favourable sub-basin development is occurring to the West-Northwest. Similar to other holes, fragmental clasts show compositional zoning down section, grading from unmineralized wacke-dominant clasts at the top, becoming increasingly sulphide-rich downhole, below 467.0m. Within the fragmental are sphalerite (zinc) and galena (lead) mineralized beds up to 4 cm wide, interpreted to be in-situ. Underlying the fragmental is a thin zone of lower Aldridge Formation sediments with bedded sphalerite mineralization up to 25 cm wide. This zone correlates with footwall mineralization (Vulcan Horizon) first discovered in VU22004 and has been intersected in all 2023 drill holes, indicating wide-spread mineralization. The hole did not intersect a thick gabbroic sill at the modelled depths, indicating potential arching of sills and could be further evidence of a proximal vent/feeder complex.

Detailed logging and sampling are underway, with complete analytical results expected in the coming months. Visual observations and preliminary portable X-ray fluorescence ("pXRF") analysis of mineralized material confirms the presence of widespread alteration associated with narrow bands of high-grade mineralization consistent with that of sedimentary-exhalative ("sedex") deposits, particularly as extensively documented at the nearby Sullivan deposit.

Highlights from preliminary pXRF analysis*

- 585.07m: 2.18% Zn, 1.10% Pb over ~4cm (stratabound)
- 625.20m: 1.98% Zn, 0.72% Pb (fragmental clast)
- 693.60m: 1.62% Zn, over ~11cm (stratabound)

*Management cautions that pXRF data should be treated only as an indication of elements including lead and zinc that are present at the particular location in which the pXRF is placed on a drill core. All pXRF data is point data and the data collected at that point may not be representative of all the pXRF detectable elements occurring over an extended interval. The Company has no intention of using pXRF data for the purpose of weighted average calculations but does compare and evaluate pXRF point data with results of chemical analyses once received. The Company relies on chemical assays from an independent certified laboratory to determine the "true" values of lead and zinc occurring in sampled drill core, as well as all other elements the Company is targeting at the Vulcan Property. The Company expects these assays to be available to the public once certified analytical results are received and evaluated.

As previously announced, drill-hole VU23002 was drilled at -45° toward azimuth 070° to a total depth of 715.6 meters. The hole intersected significant fragmental clast mineralization (pyrrhotite±sphalerite±galena) starting at the top of the thick fragmental unit, a trend not seen in previous holes. In the base of the

fragmental are thin beds (up to 5cm) of undisturbed sediments with significant disseminated sphalerite (zinc) and galena (lead); these in-situ mineralized beds can be correlated to VU22004 and VU23001. Further underlying the fragmental unit is a zone of thin bedded sediments consistent with lower Aldridge rocks. Zinc and lead mineralization is pervasive throughout this zone and forms disseminations in distinct cm-scale beds up to 53cm wide (523.24-523.77m). Mineralization within this hole represents continuity of approximately 170m NW from VU22004 and 300 m from VU23001, confirming wide-spread distribution of mineralization within the fragmental and footwall thin bedded sediments.

Drilling is now underway on Hole VU23004. The hole is oriented at -80° toward azimuth 106° and is targeting mineralization down-dip from Hole VU22004. It is expected that this hole will intersect target depths >300m down-dip from mineralization observed in VU22004.

See core photos and pXRF results here

See Vulcan drill-hole plan here

Vulcan consists of 12,400ha located 30km west of the world-class Sullivan sedex critical metals deposit near Kimberley, BC and is accessible by an extensive network of well-maintained forest service roads. The property is owned 100% by Eagle Plains and has no underlying royalties or encumbrances. Encouraging results from the 2022 drill program were announced previously by Eagle Plains (see news releases December 7, 2022 and January 18, 2023). Initial observations of core lithologies, mineralogy, alteration and mineralization from VU22004 suggest proximity to a sedex-type vent source near the trace of drill-hole VU22004. The 2023 program is designed to extend the mineralized horizons by completing systematic step-out drilling that will include testing of a prominent off-hole borehole electromagnetic ("BHEM") anomaly delineated in late 2022. Drilling is expected to further define stratabound Pb-Zn-Ag mineralization and vector towards a suspected source vent complex such as that found at the now-depleted Sullivan deposit.

Management of Eagle Plains considers the Vulcan project to hold excellent potential for the presence of sedex zinc/lead/silver mineralization. Rocks underlying Vulcan are within the same sedimentary sequence and host occurrences, with mineralization and alteration styles similar to those observed at and adjacent to Sullivan. The Main (Hilo 3) mineral occurrence at Vulcan returned trench samples up to 1.6 % combined lead-zinc over 1.5 metres from rocks near the Lower-Middle Aldridge contact ("LMC"), the same time-stratigraphic horizon associated with the Sullivan deposit.

Tim Termuende, P.Geo, President and CEO of Eagle Plains commented recently on the ongoing Vulcan program: "We continue to better understand the geology and mineralization with continuing drilling at Vulcan. As observed in VU23003, the dramatic thickening of the fragmental unit and nature and abundance of lead and zinc mineralization within it, coupled with the apparent cross-cutting (arching) of a thick gabbroic unit suggest the presence of a vent complex nearby. Significant (though sub-economic) mineralization has now been traced at depth by drilling for over 300m laterally and 200m down-dip. Additional drilling continues to be guided by geologic features observed during this ongoing program".

The Sullivan mine was discovered in 1892 and is one of the largest sedex deposits in the world. Over its 100+ year lifetime, Sullivan contained a total of 160 million tonnes of ore averaging 6.5% lead, 5.6% zinc and 67 g/t silver, resulting in 298 million ounces of silver, 18.5 billion pounds of lead, 17.5 billion pounds of zinc and significant quantities of associated metals, collectively worth over \$40B at current metal prices. Eagle Plains' management cautions that past results or discoveries on proximate land are not necessarily indicative of the results that may be achieved on the Vulcan property.

Vulcan Project History

Sullivan-style mineralization was first reported in the mid-1950s at Vulcan. During the 1970s and 1980s, Texas Gulf Sulphur and later Cominco completed extensive geophysical work and drilled shallow holes to test for continuous mineralization in areas of the property. Drill testing occurred in the Hilo area during the early 1990s by Ascot Resources. In 1991 a five hole, 1003m drill program was completed, with three holes totaling 1535m completed in 1992.

Since acquiring the initial claims on the property in 2002, Eagle Plains has completed an extensive

compilation of all existing data, followed in 2006 by a 125 line-km helicopter-borne time-domain geophysical survey flown at 200m spacing. Additional claims were added to the property position as they became available through staking. Systematic geochemical, geological and geophysical programs were conducted by Eagle Plains and its partners from 2011-2019.

In June 2020, Eagle Plains completed a two-hole, 977m drill program to test the LMC along an existing road cut in an area of elevated soil geochemistry and anomalous geophysical features (magnetometer, induced polarization and magneto-telluric). The LMC contact was successfully intercepted in Hole VU20002 with significant alteration suggesting proximity to a hydrothermal source, though no economic mineralization was encountered.

In 2022, Eagle Plains completed a 537 line-km helicopter-borne high-resolution aeromagnetic survey. Geophysics was followed-up with a 3-hole, 1700m diamond drilling program. Hole VU22004 identified sedex-style mineralization at the West Basin zone deeper in the stratigraphic package than historically tested. Analytical results from VU22004 defined the best intercept on the property to date. Results from this program have been used to re-interpret the stratigraphic sequence at the Hilo and West Basin Zones and have identified target stratigraphy considered to hold high potential to host economic mineralization.

Qualified Persons

The current program is being conducted under the direct supervision of K. Bates, P.Ge., Exploration Manager of Eagle Plains. TerraLogic Exploration Inc. of Cranbrook, BC has been engaged to provide overall project support. New Age Drilling Solutions has been contracted to complete diamond drilling activities and Bighorn Helicopters of Cranbrook, BC is providing helicopter support.

Charles C. Downie, P.Ge., a "qualified person" for the purposes of National Instrument 43-101 - Standards of Disclosure for Mineral Projects and a director of Eagle Plains, has reviewed and approved the scientific and technical disclosure in this news release.

Proposed Financing

Eagle Plains announces that it intends to complete a non-brokered private placement to arms-length and non-arms-length investors. Application will be filed with the TSX Venture Exchange (TSX-V) to sell up to 5,000,000 flow-through units at a price of \$.20 CDN per unit for gross proceeds of up to \$1,000,000 CDN. Each unit will consist of a flow-through common share and one-half non-flow-through common share purchase warrant, each whole warrant exercisable at \$.30 CDN for a 24-month period.

Directors of the Company have approved an over-allotment of up to 10% of the units.

The common share purchase warrants are subject to an accelerated expiry at the option of the Company if the published closing trade price of the common shares on the TSX Venture Exchange is greater than or equal to \$.50 for any 20 consecutive trading days, in which event the holder may be given notice that the warrants will expire 30 days following the date of such notice. The common share purchase warrants may be exercised by the holder during the 30 day period between the notice and the expiration of the common share purchase warrants.

A 7% commission or finder's fee may be paid to registered dealers or eligible arms-length third parties involved in the financing. It is anticipated that directors and/or insiders of Eagle Plains will participate in the financing.

Maximum gross proceeds of the offering are expected to be \$1,000,000 CDN (excluding 10% over-allotment if warranted). Proceeds from the sale of units will be used to fund additional exploration of the Vulcan project and/or the company's various projects in British Columbia, Saskatchewan and Yukon. Flow-through funds will qualify as Canadian exploration expenses as defined in the Income Tax Act and will be renounced for the 2023 taxation year.

About Eagle Plains Resources

Based in Cranbrook, B.C., Eagle Plains is a well-funded, prolific project generator that continues to conduct research, acquire and explore mineral projects throughout western Canada. The Company was formed in 1992 and is the ninth-oldest listed issuer on the TSX-V (and one of only three that has not seen a roll-back or restructuring of its shares). Eagle Plains has continued to deliver shareholder value over the years and through numerous spin outs has transferred over \$100,000,000 in value directly to its shareholders, with Copper Canyon Resources and Taiga Gold Corp. being notable examples. Eagle Plains latest spinout, Eagle Royalties Ltd. (CSE:"ER") was listed on May 24, 2023, and holds a diverse portfolio of royalty assets throughout western Canada.

Eagle Plains' core business is acquiring grassroots critical- and precious-metal exploration properties. The Company is committed to steadily enhancing shareholder value by advancing our diverse portfolio of projects toward discovery through collaborative partnerships and development of a highly experienced technical team.

Expenditures from 2011-2022 on Eagle Plains-related projects exceed \$30M, the majority of which was funded by third-party partners. This exploration work resulted in approximately 45,000m of diamond-drilling and extensive ground-based exploration work facilitating the advancement of numerous projects at various stages of development.

Throughout the exploration process, our mission is to help maintain prosperous communities by exploring for and discovering resource opportunities while building lasting relationships through honest and respectful business practices.

On behalf of the Board of Directors

"Tim J. Termuende"
President and CEO

For further information on EPL, please contact Mike Labach at 1 866 HUNT ORE (486 8673)
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Cautionary Note Regarding Forward-Looking Statements

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. This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore, involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements.

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