Azincourt Energy Extends Alteration Zone At The East Preston Uranium Project

written by Raj Shah | March 16, 2022

- **Significant Alteration in K-Zone increased to 1200 meters**
- **Budget increased to maximize impact of winter program**

March 16, 2022 (Source) – **AZINCOURT ENERGY CORP.** ("Azincourt" or the "Company") **(TSX.V: AAZ, OTCQB: AZURF)**, is pleased to provide an update on the 2022 exploration program at the East Preston uranium project, located in the western Athabasca Basin, Saskatchewan, Canada.

Drilling at the East Preston Project commenced on January 24th, and to date, 4,301 meters have been completed in 18 drill holes. Despite being plagued by extreme cold weather and its associated logistics and mechanical problems, two drill rigs are operational on the project. 15 drill holes are complete, one was abandoned, and two are in progress on the K- and H- Zones. Prior progress has been reported in previous press releases dated February 14th, 2022, and March 1st, 2022.

TerraLogic Exploration Inc. is executing the winter 2022 diamond drilling program under the guidance and supervision of Azincourt's Vice President, Exploration, Trevor Perkins, P.Geo, and Jarrod Brown, M.Sc., P.Geo, Chief Geologist and Project Manager with TerraLogic Exploration. The program is planned for approximately 5,500m of drilling. Drilling focused on the A-G and K-H-Q trends and commenced in the G-Zone where the 2021 drill program ended. The program continues to evaluate the K-H-Q trend (Figure 2).

Drilling on the northeast trending G-Zone (Figure 3) was halted with nine holes completed. Extensive hydrothermal alteration and evidence of east-west cross-cutting structures have been intersected along the southern portion of the zone. The alteration zone is highlighted in holes EP0030 and EP0037 with intervals of hydrothermal hematite alteration and extensive evidence for a steep east-west fault cross-cutting the main northeast trending structure and graphitic lithologies. An evaluation of the structural data and geochemistry will be undertaken to aid in planning for additional follow-up drilling and evaluation of this area in the next drill program.

On the north-south trending K-Zone (Figure 3), five holes have been completed and one is in progress. One hole was lost in a sand filled fault zone at the north end of the zone. Drilling on the K-Zone has intersected extensive hydrothermal hematite alteration in all holes, indicating this alteration zone is at least 1200 meters long. Extensive zones of hydrothermal hematite have been intersected in all holes, with clay alteration also being present. Additional drilling is underway to evaluate the significance of this alteration zone and follow-up the elevated radioactivity (in excess of 10 times background values, identified from both handheld scintillometers and a downhole gamma probe) previously reported in the Company's news release dated March 1st, 2022. Samples from this zone have been sent to the lab to evaluate the significance of the elevated radioactivity in this area.

The H-Zone covers a change in orientation of the structural and conductive trend from north south to southwest trending (Figure 2). One hole has been completed on the north part of the trend and one is in progress. The first hole on the H-Zone has intersected a thick zone of hydrothermal alteration and an intense graphitic fault zone. Whether this zone is a

continuation of that in K-Zone or constitutes a new alteration zone is yet to be determined. Drilling will continue to evaluate this zone.

The company considers the drilling results to date to be significant, as major uranium discoveries in the Athabasca Basin such as McArthur River, Key Lake, and Millennium were primarily the result of drill testing of strong alteration zones related to conductor features. Identifying the strong alteration zones is a significant step forward in identifying the key areas along the conductor trends where more attention is required. As a consequence of the promising results to date, many holes have been drilled significantly deeper than initially planned to get through alteration and structure intersected, and additional holes are being drilled to follow up key results.

With the discovery of this alteration zone, planned overall meterage in this drill program is expected to be achieved, however fewer total holes may be completed. In addition, the planned holes for Q-Zone have been postponed allowing further evaluation of the favourable findings encountered thus far in both the K- and H-Zones.

Increased costs associated with colder weather, and changes to the program due to the discovery of the alteration zone, have resulted in an increase to the overall program budget. Incurring increased costs now will help facilitate the acquisition of as much critical data as possible during the current field season.

“We are encouraged by the response we are seeing in the K-Zone,” said VP, Exploration, Trevor Perkins. “The extensive alteration we have encountered is very encouraging. I am curious to see what H-Zone may reveal and how it relates to what we are already seeing in K-Zone. This just reinforces the need to focus extensively in these areas,” continued Mr. Perkins.

“The extension of the alteration, now to over a kilometer in length, is a significant development,” said Alex Klenman, President and CEO. “The zone is large and appears to be getting larger, and it’s showing very positive geological characteristics. This is what we need to see, what we want to see. Chasing this type of alteration has been established as an effective method of making meaningful discovery. The fact that this zone continues as we move south speaks to the need to keep drilling in this area. We’re excited by the results so far and we’re eager to see what more holes in this area reveal,” continued Mr. Klenman.

The property is accessed via a 73 km winter road from Highway 955. Accurate Industries is maintaining the winter access road and facilitating transport of fuel and supplies to camp for the duration of the program. Discovery Mining Services is maintaining and managing the exploration camp at Snoop Lake and Full Force Drilling Ltd is providing two diamond drill rigs and conducting the drilling program, which is expected to continue until mid to late March. Significant snowfall and blowing snow have resulted in extra time and effort being put in to maintaining the access roads to ensure safe and consistent accessibility.

East Preston Targets

The primary target area for the 2022 program continues to be the conductive corridors from the A-Zone through to the G-Zone (A-G Trend) and the K-Zone through to the H and Q-Zones (K-H-Q Trend) (Figures 1 and 2). The selection of these trends is based on a compilation of results from the 2018 through 2020 ground-based EM and gravity surveys, property wide VTEM and magnetic surveys, and the 2019 through 2021 drill programs, the 2020 HLEM survey indicates multiple prospective conductors and structural complexity along these corridors.

The 2019-2021 drilling programs on the A-G Trend confirmed that geophysical conductors comprise structurally disrupted zones that are host to accumulations of graphite, sulphides, and carbonates. Anomalous radioactivity has been demonstrated to exist within these structurally disrupted conductor zones. The 2022 drilling program will target similar structurally disrupted zones prioritized on the presence and strength of corresponding electromagnetic, magnetic and gravity geophysical anomalies.

Permitting and Community Engagement

Permits are in place to complete all the planned work through the winter of 2022. Azincourt Energy continues to be engaged in regular meetings with the Clearwater River Dene Nation and other rights holders to ensure that concerns of the local communities are addressed. Azincourt looks forward to a continued close working relationship with CRDN and other rights holders to ensure that any potential impacts and concerns are addressed and that the communities can benefit from activities in the area through support of local business, employment opportunities, and sponsorship of select community programs and initiatives. Several members of the Clearwater River Dene Nation are directly employed on site or provide support and services to keep the camp and program running.

Figure 1: Target corridors at the East Preston Uranium Project, Western Athabasca Basin Saskatchewan: https://www.globenewswire.com/NewsRoom/AttachmentNg/22d575dd-1f65-45af-a2dc-54cb61c37c06

Figure 2: 2022 Drill progress and Target areas at the East Preston Uranium Project: https://www.globenewswire.com/NewsRoom/AttachmentNg/953496b6-f642-4e91-81fd-f8e00945d602

Figure 3: Project Location – Western Athabasca Basin,

Saskatchewan, Canada: https://www.globenewswire.com/NewsRoom/AttachmentNg/add464a8-686e-4f54-b320-0aea43288520

About East Preston

Azincourt controls a majority 72.8% interest in the 25,000+ hectare East Preston project as part of a joint venture agreement with Skyharbour Resources (TSX.V: SYH), and Dixie Gold. Three prospective conductive, low magnetic signature corridors have been discovered on the property. The three distinct corridors have a total strike length of over 25 km, each with multiple EM conductor trends identified. Ground prospecting and sampling work completed to date has identified outcrop, soil, biogeochemical and radon anomalies, which are key pathfinder elements for unconformity uranium deposit discovery.

The East Preston Project has multiple long linear conductors with flexural changes in orientation and offset breaks in the vicinity of interpreted fault lineaments – classic targets for basement-hosted unconformity uranium deposits. These are not just simple basement conductors; they are clearly upgraded/enhanced prospectivity targets because of the structural complexity.

The targets are basement-hosted unconformity related uranium deposits similar to NexGen's Arrow deposit and Cameco's Eagle Point mine. East Preston is near the southern edge of the western Athabasca Basin, where targets are in a near surface environment without Athabasca sandstone cover – therefore they are relatively shallow targets but can have great depth extent when discovered. The project ground is located along a parallel conductive trend between the PLS-Arrow trend and Cameco's Centennial deposit (Virgin River-Dufferin Lake trend).

Qualified Person

The technical information in this news release has been prepared in accordance with the Canadian regulatory requirements set out in National Instrument 43-101 and reviewed on behalf of the company by C. Trevor Perkins, P.Geo., Vice President, Exploration of Azincourt Energy, and a Qualified Person as defined by National Instrument 43-101.

About Azincourt Energy Corp.

Azincourt Energy is a Canadian-based resource company specializing in the strategic acquisition, exploration, and development of alternative energy/fuel projects, including uranium, lithium, and other critical clean energy elements. The Company is currently active at its majority-owned joint venture East Preston uranium project, and it's recently acquired Hatchet Lake uranium project, both located on the edges of the Athabasca Basin, Saskatchewan, Canada, and the Escalera Group uranium-lithium project, located on the Picotani Plateau in southeastern Peru.

ON BEHALF OF THE BOARD OF AZINCOURT ENERGY CORP.

"Alex Klenman"
Alex Klenman, President & CEO

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