Canadian Palladium Receives MT Survey Results and Identifies New Drill Targets at East Bull Palladium Project, Sudbury Area, Ontario

written by Raj Shah | July 24, 2020

July 23, 2020 (Source) – **Canadian Palladium Resources Inc. (formerly 21C Metals Inc.) (the "Company") (CSE: BULL) (OTCQB: DCNNF) (FSE: DCR1)** is pleased to announce that the Company has received 2D and 3D interpretations for the recently completed magnetotelluric (MT) survey on the Company's East Bull Palladium Project, located in the Sudbury mining district, Ontario. The results identify two new, shallow drill targets that are adjacent to the Valhalla Deposit palladium resource.

The MT method is an electromagnetic geophysical method with excellent depth penetration and is capable of detecting disseminated sulphide mineralization associated with the high palladium tenor sulphides found on the Company's East Bull Property.

Target Models – The palladium exploration targets at the East Bull Project include:

- Near-surface "contact-type" palladium mineralization with grades and widths similar to that found at the Valhalla Deposit on the East Bull Property;
- Higher-grade "layered mineralization" with grades and widths similar to the higher grade intervals that the Company has intersected in the upper part of the Valhalla

Deposit;
- Potential structurally controlled “conduit-type” targets that may be vertically extensive.

The MT method has recently been used to successfully target discrete, low resistivity Palladium rich zones at Sunday Lake, Ontario (https://impalacanada.com/investors/news/news-details/2019/North-American-Palladium-Announces-Major-Expansion-to-Sunday-Lake-PGM-Zone-and-Best-Drilling-Results-to-Date/default.aspx). Results from the current survey indicate that there is a response to known surface mineralization at East Bull and major structural features such as the Folson Deformation Zone. This demonstrates the effectiveness of the MT method for these target models.

Survey – Data for the Spartan MT survey was completed by Quantec Geoscience in early May 2020. The Company participated in Line 1, a 4.5 km line oriented at 060° that was part of a larger survey completed for Grid Metals Corp. Approximately 2 km of Line 1 was on the Company’s property.

Results – Analysis and interpretation of the MT survey results was completed by Mr. Kevin Stevens of Stevens Geophysics Inc. A section of the 3D inversion (Figure 1) of the SW part of MT Line 1 on Canadian Palladium’s East Bull Property shows the colour contoured resistivity ranging from low of <1,000 ohm-m (orange) to high of >10,000 ohm-m (blue). The section shows the Valhalla Palladium Deposit with previous drill holes as an area of lower resistivity. The Valhalla Deposit actually dips to the north, with the MT section showing a shallow apparent dip to the NE due to MT Line crossing the deposit at an oblique angle. The Folson Deformation Zone (FDZ) is associated with the truncation of the resistivity low associated with the potential extension of the Valhalla Deposit.

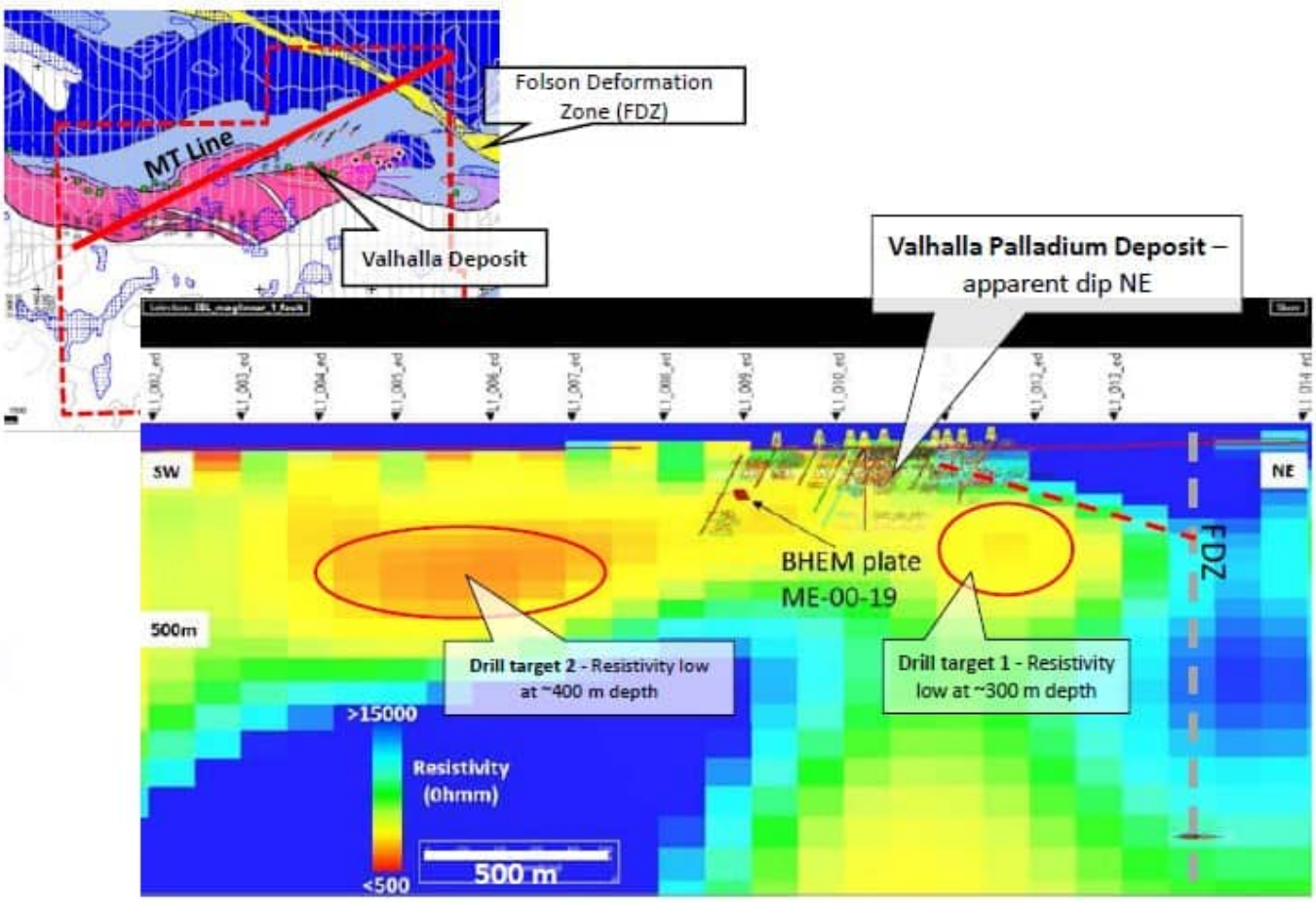
Drill Targets – Prospective targets are defined by resistivity lows. Targets at depths of less than 500 m are amenable to drill testing in the current program. Target 1 on Figure 1, potentially represents a down dip extension of the Valhalla Deposit to a depth of approximately 300 m which is considerably deeper than previous drilling. Target 2 is an area of lower resistivity located at 400 m depth and is southwest of the Valhalla Deposit. This may be related to a conductor located south of the Valhalla Deposit that was identified in a 2007 VTEM airborne survey by previous operators. The location of a Maxwell conductive plate model for a bore hole electromagnetic anomaly (BHEM plate) in hole ME-00-19 is also shown. This BHEM plate also corresponds with the VTEM conductor. Target 2 may be located near the base of the East Bull intrusion or in mafic metavolcanic host rocks.

Mr. Wayne Tisdale, CEO, commented, “Canadian Palladium is currently drilling at East Bull. We plan to test these new, high-quality MT drill targets that have the potential to significantly expand the palladium resource on this project. The new targets are relatively shallow with depths of less than 500 m and we will have an opportunity to test them during the current drill program. We look forward to some exciting results from this drilling.”

Mr. Garry Clark, P. Geo., of Clark Exploration Consulting, is the “Qualified Person” as defined in NI 43-101, who has reviewed and approved the technical content in this press release.

FIGURE 1: Colour contoured 2D apparent resistivity section for part of MT Line 1 on Canadian Palladium’s East Bull Property. Resistivity ranges from lows of <1,000 ohm-m (orange) to highs of >10,000 ohm-m (blue). Section shows NE dip of Valhalla Deposit and sub-vertical Folson Deformation Zone (FDZ). Drill targets are indicated by resistivity lows at depths of 300 to

400 m. Location of a Maxwell conductive plate model for a bore hole electromagnetic anomaly (BHEM plate) in hole ME-00-19 is also shown.



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forward-looking information in this press release includes, but is not limited to, statements with respect to the advancement of drilling program and the palladium potential on the East Bull property. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information. Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause the results to differ materially from those expressed in the forward-looking information include, but are not limited to: general economic conditions in Canada and globally; industry conditions, including governmental regulation and environmental regulation; failure to obtain industry partner and other third party consents and approvals, if and when required; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; liabilities inherent in water disposal facility operations; competition for, among other things, skilled personnel and supplies; incorrect assessments of the value of acquisitions; geological, technical, processing and transportation problems; changes in tax laws and incentive programs; failure to realize the anticipated benefits of acquisitions and dispositions; and the other factors. Readers are cautioned that this list of risk factors should not be construed as exhaustive. The forward-looking information contained in this news release is expressly qualified by this cautionary statement. We undertake no duty to update any of the

forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

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