

Golden Arrow Expands into Chile with Agreement to Acquire the Atlantida Copper-Gold Project

written by Raj Shah | October 12, 2018

☒ October 11, 2018 ([Source](#)) – Golden Arrow Resources Corporation (TSX-V: GRG, FSE: G6A, OTCQB: GARWF), “Golden Arrow” or the “Company”, is pleased to announce that it has signed Definitive Agreements to acquire the 3,450 hectare Atlantida Copper-Gold Project (“Atlantida” or the “Project”) in Chile’s 3rd Region. Atlantida is an advanced project which combines mineral rights from two separate owners and includes an extensively drilled copper-gold deposit with an historic resource estimate. By consolidating the land package, Golden Arrow believes there is potential to identify new mineralization and define a significant copper-gold resource.

Previous exploration at Atlantida resulted in an historic resource estimate of 427 million tonnes averaging 0.43% copper equivalent (see Table 1; A Qualified Person has not done sufficient work to classify this estimate a current mineral resource, and Golden Arrow is not treating this as a current mineral resource estimate). The resource includes a deep porphyry copper-gold target and a near-surface skarn with higher gold grades which together cover an area of approximately 225 hectares. Situated within the consolidated Atlantida property, this skarn zone is located on the western edge of the claim hosting the historic resource, and extends onto an adjacent claim (now under option by Golden Arrow) that has historic workings but has had limited modern exploration. Golden Arrow’s

due diligence surface rock samples in this area returned up to 3.7 g/t gold and 1.98% copper, providing an excellent target for new mineral resources. In addition, based on the preliminary due diligence review, Golden Arrow believes the Project is prospective for discovery of similar targets elsewhere within the consolidated Atlantida properties.

“Expansion into this area of Chile that is host to multiple world-class copper and gold deposits broadens our opportunities to acquire advanced projects like Atlantida, in order to potentially quickly build resources and value for our shareholders,” commented Joseph Grosso, Executive Chairman, CEO & President. “Golden Arrow has built an excellent portfolio of precious and base metal assets in Argentina which we continue to explore.”

Golden Arrow has completed legal and technical due diligence on the Project. The Company is planning an aggressive program to delineate and drill test targets throughout the Project area. The Atlantida Project will be managed under New Golden Explorations Inc., a 100% owned subsidiary of Golden Arrow.

About the Atlantida Gold-Copper Project

The Atlantida Project includes two separate land packages that Golden Arrow has consolidated into a single project through the signing of two Definitive Agreements. The first agreement includes a 48 month earn-in with minimal costs in the first year and total payments of US\$4 million. There is a 2% Net Smelter Royalty (“NSR”) payable with half available for repurchase under certain terms. The second agreement includes a 24 month earn-in period for a total of US\$2 million and a 1% NSR that can be repurchased in full under certain terms.

The total land area of the consolidated Project is approximately 3,450 hectares. The Project is road-accessible and is located 60

kilometres northeast of Copiapó at an altitude of 1700 metres above sea level. There is an abundance of both outcrop and old workings.

The Atlantida Project is situated within a metallogenic belt limited by the Atacama Fault System to the west and the Domeyko Fault System to the east. Within the project area, a copper-gold deposit covering a 1.5 kilometre by 1.5 kilometre (225 hectares) area has been identified. Mineralization is hosted by porphyries intruded into limestone host rocks, as well as in the skarn at the porphyry-limestone contact. These intrusives are very close in age to others in the region that host major copper porphyry deposits, such as Relincho, Lomas Bayas, Sierra Gorda and Spence, and epithermal gold vein deposits such as Guanaco and El Peñon.

Previous operators include Inmet Mining Corporation and First Quantum Minerals Ltd. and over 29,000 metres of drilling, as well as surface sampling and geophysical work has been carried out in the deposit area. According to the preliminary information received by Golden Arrow, Inmet Mining completed a mineral resource estimate for the Atlantida deposit in 2012, as shown in Table 1.

Table 1. Historic Resource Estimate (Inmet, 2012).					
Zone	Tonnage (Mt)	Copper (% Cu)	Gold (g/t Au)	Molybdenum (ppm Mo)	Copper Equivalent (% CuEq)
Porphyry Cu-Au-Mo	257.5	0.25	0.21	42	0.42
Porphyry Au	130.5	0.06	0.53	3	0.38
Skarn	39.1	0.30	0.62	8	0.72
Total	427.1	0.20	0.34	27	0.43

As it was completed by a major company, it is believed likely that the methodology used was reliable, however, the key assumptions and parameters used in the estimate are unknown to the Company at this time. Following a review of the information acquired, Golden Arrow will determine if it will immediately pursue the completion of a current mineral resource estimate by an independent Qualified Person, using CIM best practices and following the guidelines of NI 43-101, or first proceed with additional exploration.

Immediately to the west of the resource area previously explored by Inmet Mining-First Quantum, the consolidated Atlantida project includes old workings in mineralized skarn and porphyry. Golden Arrow collected 31 due diligence rock samples in this area. These returned a maximum of 3.7 g/t gold and 1.98% copper, with the average result of 0.51g/t gold and 0.49% copper.

Methodology & QA/QC

Due diligence rock samples were shipped for preparation and analysis at Activation Laboratorios Ltda, (Actlabs) an internationally recognized assay service provider, in Coquimbo, Chile. Actlabs has ISO 9001:2015 certification and ISO 17025 accreditation. Samples were assayed for gold by Fire Assay/Atomic Absorption finish plus multi-element package by ICP-OES following a four acid digestion (Code 1F2). Plus 1% Cu samples were re-assayed by four acids and reading by Atomic Absorption by 7AAS-01 Cu % 4ACID-AAS 1g/100ml Metales Base. The Company follows industry standard procedures for the work with a quality assurance/quality control (QA/QC) program. Duplicate and standard samples were inserted in each batch of samples sent to the laboratory for analysis. Golden Arrow detected no significant QA/QC issues during review of the data.

Qualified Persons

The results of the Company's exploration program have been reviewed, verified (including sampling, analytical and test data) and compiled by the Company's geological staff under the supervision of Brian McEwen, P.Geol., VP Exploration and Development to the Company. Mr. McEwen is a Qualified Person as defined in National Instrument 43-101, and has reviewed and approved the contents of the news release.

About Golden Arrow:

Golden Arrow Resources Corporation is an exploration company earning production income. The Company has a successful track record of creating value by making precious and base metal discoveries and advancing them into exceptional deposits. Golden Arrow owns a 25% share of Puna Operations Inc., a joint venture operated by SSR Mining, with more than 8 years of forecast production and upside potential at the Pirquitas-Chinchillas silver mining project. Golden Arrow is actively exploring on its more than 200,000 hectares of properties in Argentina. The Company is a member of the Grosso Group, a resource management group that has pioneered exploration in Argentina since 1993.

ON BEHALF OF THE BOARD

"Joseph Grosso"

Mr. Joseph Grosso,
Executive Chairman, President and CEO

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