Golden Arrow Options Flecha de Oro Gold Project in Rio Negro Province, Argentina

written by Raj Shah | September 25, 2019



September 25, 2019 (Source) – **Golden Arrow Resources Corporation (TSX-V: GRG, FSE: GAC, OTCQB: GARWF), ("Golden Arrow" or the "Company")** is pleased to announce that the Company has entered into a Definitive Agreement (the "Agreement") to acquire up to 100% of the Flecha de Oro Gold Project in the province of Rio Negro, Argentina (the "Project"). Golden Arrow's due diligence and reconnaissance work confirmed high-grade gold in surface samples and identified numerous trends of quartz veins and stockworks at surface, with the opportunity to delineate larger zones of mineralization.

Highlights of the Project include:

- Due diligence sampling included 5 metres grading 13.1 g/t gold and 0.2 metres grading 11.2 g/t gold from chip samples across two parallel quartz veins located 600 metres apart.

- Nearly 120 square kilometres of mineral rights in an area of known high and low-sulphidation epithermal gold mineralization

- Ground Magnetic surveying successfully delineated a mineralized vein corridor coincident with a magnetic low – demonstrates the application of the technique for

exploring extensive property areas under cover.

Golden Arrow President and CEO Joseph Grosso commented, *"Flecha de Oro is an excellent complement to our portfolio of active gold projects in Chile and Paraguay, and it continues our work in Argentina, where the Grosso Group has been successfully exploring for over 25 years. Rio Negro is a very good jurisdiction where another Grosso Group company, Blue Sky Uranium Corp., has succeeded in making discoveries. We look forward to similar achievements at this project."*

The Company is moving forward with additional ground magnetic surveys at the Project which will be followed by additional surface sampling, mapping, trenching, and drilling as targets are identified and advanced.

About the Project:

The Flecha de Oro Project includes the Puzzle and La Esperanza exploration properties, consisting of 1,952 hectares and 9,968 hectares respectively, in central Rio Negro Province. The properties are road-accessible at a modest elevation of approximately 950 metres above sea level that allows for year-round exploration. The closest town is Los Menucos, situated about 22 kilometres southeast of the Puzzle property. Under the terms of the option agreement Golden Arrow has to make staged payments to the vendor totaling US$2,093,000 over 7 years to earn a 100% interest in both properties. Only US$93,000 is owing in the first 2 years, with US$13,000 having been paid to date. The vendor will retain a 1% royalty, which can be reduced to 0.25% for an additional US$1,000,000.

Geology Overview

The Project lies within the Somuncara Massif, where low and high sulphidation gold systems have been explored for since the first

discovery of gold in the area in 1995. Examples of other gold-silver projects in the area include the Calcatreu low sulphidation gold-silver project located 165 kilometres to the southwest, hosting 746,000 oz of Indicated gold equivalent resources and a further 390,000 oz of Inferred AuEq resources[1]. *[Golden Arrow cautions that proximity to a mineral resource does not indicate that mineralization will occur on Golden Arrow's property, and if mineralization does occur, that it will occur in sufficient quantity or grade that would result in an economic extraction scenario. Results from other companies are not necessarily indicative of expected Golden Arrow results, as there has been insufficient exploration on the properties held by Golden Arrow. These facts were simply used to help prioritize the acquisition of these properties.]*

The gold mineralization at the Puzzle property occurs in epithermal quartz veins, stockworks and hydrothermal breccias, hosted by a 150-250-million-year old volcanic complex. Gold mineralization at Puzzle was originally identified by previous owners in an outcropping epithermal quartz vein which can be traced for over 1,400 metres along strike as a series of showing, and in an adjacent area with quartz float material.

The La Esperanza property is located in the same regional geological environment, with mineralization hosted by an older suite of granites and granodiorites with aplitic and pegmatitic dikes associated with the volcanic complex underlying the Puzzle property. At the La Esperanza property 17 kilometres of veins, with widths of up to 7 metres, occur as swarms of quartz and chalcedony veins with banded, colloform and crustiform epithermal textures.

Due Diligence and First Evaluation Program

At the La Esperanza property, the main historic exploration

activity was a trenching program carried out by Anglo Gold in the 1990´s which delineated quartz veins up to 2.5 kilometres in length with reported associated high-grade gold values. Golden Arrow geologists collected 13 rock chip samples from veins on the property confirming surface high-grade gold mineralization; the highest values were 5 metres grading 13.1 g/t gold and 0.2 metres grading 11.2 g/t gold from two parallel veins 600 metres apart; silver values included 1 metre with 89 g/t.

At the Puzzle property, the Company's exploration team conducted geological mapping and collected 105 rock samples, 438 soil samples and 18 stream sediment samples. In addition, the team completed a first stage ground magnetic survey over an area of 2.2 by 1.4 kilometres with N-S lines every 100 metres. The compiled work confirmed the presence of a SW-NE corridor at least 2.3 kilometres long and up to 200 metres wide defined by a main quartz vein forming a topographic high and an adjacent quartz stockwork zone. The main vein (named "Vetarron") and the stockwork are coincident with a magnetic low that is interpreted to result from primary magnetite destruction in the host volcanic rocks by hydrothermal alteration. The magnetic low is open in both directions along strike, but particularly to the NE under cover. Vetarron exhibits low temperature epithermal textures and hosts anomalous gold values over 2 to 3 metres of width; the highest due diligence sample was 0.48 g/t Au from a 1 metre chip sample (See Figure 1: https://bit.ly/2kpQg6n). Additionally, the magnetic survey identified another E-W low magnetic signature which requires further investigation.

From the main vein, and up to 160 m to the NW, the quartz stockworks and sheeted veins along strike are mostly covered by alluvial recent sediments in a topographic low. Sampling of float and sub-outcropping banded, sacaroidal and bladed textured quartz vein material in this area returned up to 1.88 g/t from a 0.6 m sub-outcropping vein. The bladed texture, as indicator

of a boiling zone, suggests that gold precipitation might have occurred beneath this zone.

The Company plans to complete ground magnetic surveys covering both properties with the aim of extending and identifying additional magnetic lows under cover which may correspond to mineralized corridors similar to those already successfully identified at Puzzle. Subsequent exploration work will include additional surface sampling, trenching and diamond drilling.

Methodology and QA/QC

Field samples were shipped for preparation and analysis at Bureau Veritas Mineral laboratories, former ACME LABS, an internationally recognized assay service provider. Samples were prepared at their facility in Mendoza, Argentina and assayed for gold by Fire Assay/Atomic Absorption finish and analyzed for a multi-element package by ICP-OES following a four acid digestion at their laboratory in Lima, Peru. The Company follows industry standard procedures for the work carried out on the Puzzle Project, with a quality assurance/quality control (QA/QC) program. Blank, 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.

	_____
1	Retrieved from http://patagoniagold.com/projects/calcatreu/ 07/26/2019.

The magnetic survey was completed using in-house equipment and data was processed by a consulting geophysicist.

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 a mining exploration company with a successful track record of creating value by making precious and base metal discoveries and advancing them into exceptional deposits. The Company is well-leveraged to the price of gold, having recently monetized its Chinchillas silver discovery into a significant holding in precious metals producer SSR Mining.

Golden Arrow is actively exploring a portfolio that includes advanced projects in Chile, a district-scale frontier opportunity in Paraguay, and more than 185,000 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

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release may contain forward-looking statements. 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. Readers are encouraged to refer to the Company's public disclosure documents for a more detailed discussion of factors that may impact expected future results. The Company undertakes no obligation to publicly update or revise any forward-looking statements.