

# Goldplay announces its maiden mineral resource, containing 36 million oz AgEq (indicated) and 11 million oz AgEq (inferred), at the San Marcial Project

written by Raj Shah | February 7, 2019



February 7, 2019 ([Source](#)) – **Goldplay Exploration Ltd. (TSXV: GPLY, FRANKFURT: GPE, OTCQB: GLYXF) (“Goldplay” or the “Company”)** is

pleased to announce the completion of an independent NI 43-101 mineral resource estimation (“Mineral Resource”), for the San Marcial Project, located in Sinaloa, Mexico. Goldplay’s maiden San Marcial Mineral Resource is a substantial increase from the historical resource completed by Silvermex Resources Inc. in 2008 (“Historical Resource”)<sup>1</sup> and reported by Goldplay on 18 April 2018.

The Mineral Resource consists of 36 million ounces (“Moz”) of silver equivalent (“AgEq”)<sup>2</sup> at an average grade of 147 grams per tonne (“gpt”) AgEq in the Indicated category and an additional 11 Moz AgEq at an average grade of 99 gpt AgEq in the Inferred category, using a 30 gpt AgEq cut off for open pit and 80 gpt AgEq for underground resource classification completed by WSP Canada Inc. on February 07, 2019. The Mineral Resource includes 22 core drill holes (assayed during 2018) in addition to the 30

core drill holes that were used to estimate the Historical Resource in 2008.

**Table 1 San Marcial Resource Table - (30 gpt and 80 gpt AgEq<sup>2</sup> cut off grade)**

Resource		Grade				Contained Metal			
Category	M Tonnes	Ag gpt	AgEq <sup>2</sup> gpt	Zn %	Pb %	Ag Moz	AgEq <sup>2</sup> Moz	Zn Mlbs	Pb Mlbs
Measured	-	-	-	-	-	-	-	-	-
Indicated	7.6	117	147	0.5	0.3	29	36	86	53
Inferred	3.4	91	99	0.4	0.1	10	11	26	8

*See Resource table later in this report (Table 2) for additional details.*

*All numbers are rounded.*

Highlights of the Mineral Resource (Table 1) and comparisons with the Historical Resource include:

- A shallow, high-grade Ag core zone (“Breccia Zone”), up to 40 m in thickness (Figure 1). It represents 3.0 million tonnes at an average grade of 239 gpt AgEq, 200 gpt Ag, equivalent to 23 Moz AgEq and 19 Moz Ag, respectively (Table 2)
- The Breccia Zone represents 63% of the Indicated Resource category
- A 59% increase in Ag in the Indicated category compared to the Historical Resource
- A 126% increase in Ag in the Inferred category
- A 57% increase in AgEq in the Indicated category
- A 44% increase in AgEq in the Inferred category
- A 103% increase in Indicated tonnes
- 98% of the 36 Moz AgEq Indicated Resource is potentially mineable by open pit
- A 56% increase in Zn and a 77% increase in Pb in the

Indicated category

- A broad peripheral mineralized zone (“Stockwork Zone”) (Figure 1)
- Increased continuity of the mineralization along strike as well as down-dip, delineating a continuous ore zone along the 500 m strike. Both the Breccia and surrounding Stockwork Zones outcrop at surface. Significant surface exposures of the mineralization support the potential for future definition of an open pit amenable Ag-Zn-Pb mining project.

**Goldplay President and CEO Marcio Fonseca commented,** “The completion of our maiden Mineral Resource on the San Marcial Project is a major milestone for Goldplay We have achieved a significant increase in the contained ounces of both Ag and AgEq. The Mineral Resource provides a strong foundation to realize the full potential of the San Marcial Project. We are progressing with detailed, systematic exploration of the under-explored additional 3.5 km of mineralized trend. Recent surface exploration results have already confirmed new exploration targets in the vicinity of the mineral resource (Figure 2), representing future upside opportunity for resource expansion in 2019. The significant increase in the Mineral Resource including delineation of a high-grade shallow Breccia Zone (Figure 1), represents an attractive target amenable for potential open pit development, and is open along strike as well as down dip, given most of the core drilling to date has only tested down to 250 m below the surface. Goldplay congratulates its technical team for achieving an impressive increase in the Mineral Resource at San Marcial, when compared to the Historical Resource<sup>1</sup>(see: <http://goldplayexploration.com/wp-content/uploads/2019/02/GOLDPLAY-NewRel-April18th2018Final.pdf>)

Goldplay retained the services of WSP Canada Inc. to complete the 3-D modeling and independent NI 43-101 Mineral Resource

estimation for the San Marcial Project. In doing so, the Company has delivered a material increase in the tonnage, grades and ounces of Ag in the Mineral Resource with the addition of 22 holes to the previous model, for a total of 52 drill holes.

<sup>1</sup> The historical NI 43-101 resource estimate is based on a cut off of 30 g/t Ag for open pit and 80 g/t Ag for underground resource classification completed by Micon International Ltd. for Silvermex on November 5, 2008. The historical resource is based on 4,884 m of drilling in 30 core drill holes completed by Silvermex and previous operators over a strike length of 500 m and vertical extent of 250 m. A qualified person has not done sufficient work to verify and to classify the historical estimate as current mineral resources and the Company is not treating the historical estimate as current mineral resources. Further work must be carried out to verify all historic information before a resource estimate is possible, and there can be no assurance that when established, that any such resource would be economically recoverable. The NI 43-101 was filed on SEDAR on November 21, 2008 under the name of Silver Ore Mining Corporation, the predecessor of Silvermex.

The increased Mineral Resource in comparison with the Historical Resource is summarized as follows:

- Total silver equivalent ounces, Indicated Resources, increased 57% to 36 million ounces.
- Total silver ounces, Indicated Resources, increased 59% to 29 million ounces.

The drill holes are spaced on average 45 m between sections, along an initial 500 m long mineralized zone, and drilled to a maximum depth of 250 m. The Mineral Resource was estimated by ordinary Kriging using Surpac block modelling software in multiple passes in 3 m by 3 m by 3 m blocks. Grade estimates for

all elements were based on 3 mcomposited assay data. Capping levels were set as follows:

Zone	Ag (gpt)	Zn (gpt)	Pb (gpt)
Low grade Stockwork	86.87	17,150	6,500
Stockwork	10.00	37,700	21,300
Breccia	1,530.00	74,920	66,000

In order to define a reasonable prospect of economic extraction, the Mineral Resource was contained within a Whittle optimized pit shell that uses an average Ag price of US\$18.5/oz, Zn price of US\$1/lb and Pb price of US\$0.82/lb. These metal prices are based on a comprehensive survey of commodities forecasts among most prominent commodity experts. The assumed recoveries are based on average recoveries of 89% Ag, 80% Zn and 95% Pb. Operating costs are based on similar existing or nearby operations. For the portion of the Mineral Resource not deemed amenable to economic open pit extraction, the Company has assessed the reasonable prospect of economic extraction in an underground context.

The San Marcial Mineral Resource has been estimated along a 500 m strike length which makes up part of a 3.5 km long mineralized zone, supporting potential for resource expansion (Figure1).

As recently announced, the Company continues to advance surface exploration at the San Marcial Project, focusing on five targets recently identified by soil and rock geochemistry ([News Release dated 18 January 2019](#)). These targets are yet to be drilled and are located in the vicinity of the Mineral Resource. Goldplay has already received drilling permits to advance a significant drilling program in 2019.

The Mineral Resource estimated for each resource category – Indicated or Inferred – is displayed in Table 2, at different AgEq gpt cut off grades. The Effective date for the mineral

resource is February 07<sup>th</sup>, 2019. A Technical Report prepared in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”) will be filed on SEDAR at [www.sedar.com](http://www.sedar.com) within 45 days of this release.

**Table 2 San Marcial Resource Estimation Table**

Resource Classification	Type	Cut-Off AgEq gpt	Tonnage (Mtonnes)	Ag g/t	AgEq g/t	Zn%	Pb%	Ag (Moz)	AgEq (Moz)	Zn(Mlbs)	Pb(Mlbs)	
Indicated	Breccia	Breccia (OP)	30	2.9	202	241	0.7	0.4	19	23	42	29
		Breccia (UG)	80	0.1	90	124	0.6	0.3	0.2	0.2	0.8	0.3
		Breccia (Total)		3.0	200	239	0.7	0.4	19	23	43	29
	Stockwork	Stockwork(OP)	30	4.6	64	88	0.4	0.2	9	13	42	23
		Stockwork(UG)	80	0.1	72	103	0.5	0.3	0.2	0.3	1	1
		Stockwork(Total)		4.6	64	89	0.4	0.2	10	13	43	24
Indicated Total		30	7.5	118	148	0.5	0.3	28	35	84	52	
		80	0.1	79	111	0.5	0.3	0.4	1	2	1	
	Total		7.6	117	147	0.5	0.3	29	36	86	53	
Resource Classification	Type	Cut-Off AgEq gpt	Tonnage (Mtonnes)	Ag g/t	AgEq g/t	Zn%	Pb%	Ag (Moz)	AgEq (Moz)	Zn(Mlbs)	Pb(Mlbs)	
Inferred	Breccia	Breccia (OP)	30	0.79	131	153	0.5	0.1	3	4	8	3
		Breccia (UG)	80	0.64	135	165	0.8	0.1	2.8	3.4	11.2	0.8
		Breccia (Total)		1.43	133	158	0.6	0.1	6	7	20	3
	Stockwork	Stockwork(OP)	30	1.73	52	62	0.2	0.1	3	3	7	4
		Stockwork(UG)	80	0.23	121	18	0.0	0.2	0.9	0.1	0	1
		Stockwork (Total)		1.96	60	57	0.2	0.1	4	4	7	4
Inferred Total		30	2.52	77	90	0.3	0.1	6	7	15	6	
		80	0.87	131	125	0.6	0.1	3.7	4	11	2	
	Total		3.39	91	99	0.4	0.1	10	11	26	8	

<sup>2</sup> AgEq is based on long term silver, zinc and lead prices of US\$18.50 per ounce silver, US\$1.10 per pound zinc and US\$0.95 per pound lead. The following average metallurgical recoveries are assumed as 85% silver, 85% zinc and 95% lead. A 30 gpt AgEq cut off for open pit and 80gpt AgEq for underground resource classification completed by WSP Canada Inc. on February 06, 2019. OP is amenable for potential open pit development, UG is amenable for potential underground development.

The Mineral Resource has been estimated by Marcelo Filipov,

P. Geo of WSP Canada Inc. and Todd McCracken, P. Geo of WSP Canada Inc. Both Mr. Filipov and Mr. McCracken are Qualified Persons as defined by National Instrument 43-101. The Mineral Resource has been classified in accordance with CIM Definition Standards for Mineral Resources and Mineral Reserves, adopted by CIM Council, as amended. Mr. Filipov and Mr. McCracken have read and approved the contents of this press release as it pertains to the disclosed Mineral Resource estimate.

### **Quality Assurance Program and Quality Control Procedures (“QA/QC”)**

Goldplay has implemented QA/QC procedures which include insertion of blank and standard samples in all sample lots sent to SGS de México, S.A. de C.V. laboratory facilities in Durango, Mexico, for sample preparation and assaying, for every sample with results above Ag >100 ppm (“over limits”), these samples are submitted directly by SGS de Mexico to SGS Canada Inc at Burnaby, BC. Additional sampling and re-sampling of existing pulps and rejects were conducted to assess the variability of grades in the mineralized zone. A WSP Canada Inc. independent qualified person visited the San Marcial Project from Nov 12th to Nov 16<sup>th</sup>, 2018. Independent sampling was completed in core samples and surface samples for validation purposes. WSP Canada Inc. has reviewed the QA/QC protocols and procedures implemented by Goldplay and results, believing that the database is reliable for estimating the Mineral Resource.

### **About Goldplay Exploration Ltd.**

Goldplay owns a >250 sq. km exploration portfolio in the historical Rosario Mining District, Sinaloa, Mexico. Goldplay’s current exploration focus includes surface exploration and drilling, with a resource update to follow at the advanced-stage San Marcial Project and follow up exploration program at the El

## Habal Project.

The San Marcial land package consists of 1,250 ha, located south of the La Rastra and Plomosas historical mines and 20 km from the Company's 100% owned El Habal Project in the Rosario Mining District, Sinaloa, Mexico. San Marcial is an attractive, near-surface high-grade silver, lead and zinc project for which a historical resource estimate has been previously disclosed.

San Marcial exhibits significant exploration upside supported by regional exploration programs completed by previous operators who identified 14 exploration targets similar to San Marcial within its 100% Goldplay-owned concessions. Some of these exploration targets consist of old shallow pits, caved shafts and historical underground workings in areas with extensive hydrothermal alteration, hosted by major regional structures.

The El Habal Project is a drilling stage project. The oxidized gold mineralized zone outcrops along a series of rolling hills with evidence of historical shallow underground mining along a 6 km long prospective corridor. The El Habal Project is located near the historical gold-silver Rosario Mine which reportedly operated for over 250 years. Goldplay's team has over 30 years of experience with senior roles in exploration, financing, and development in the mining industry, including over ten years of extensive exploration experience in the Rosario Mining District, leading to previous successful discoveries. A current NI 43-101 report on the El Habal Project is filed on SEDAR.

### ***Disclaimer for Forward-Looking Information***

*This press release contains forward-looking statements and information that are based on the beliefs of management and reflect the Company's current expectations. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or*



*“should” and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. Such statements and information reflect the current view of the Company. Risks and uncertainties may cause actual results to differ materially from those contemplated in those forward-looking statements and information. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.*

Mr. Marcio Fonseca  
P. Geo, President & CEO  
Goldplay Exploration Ltd.

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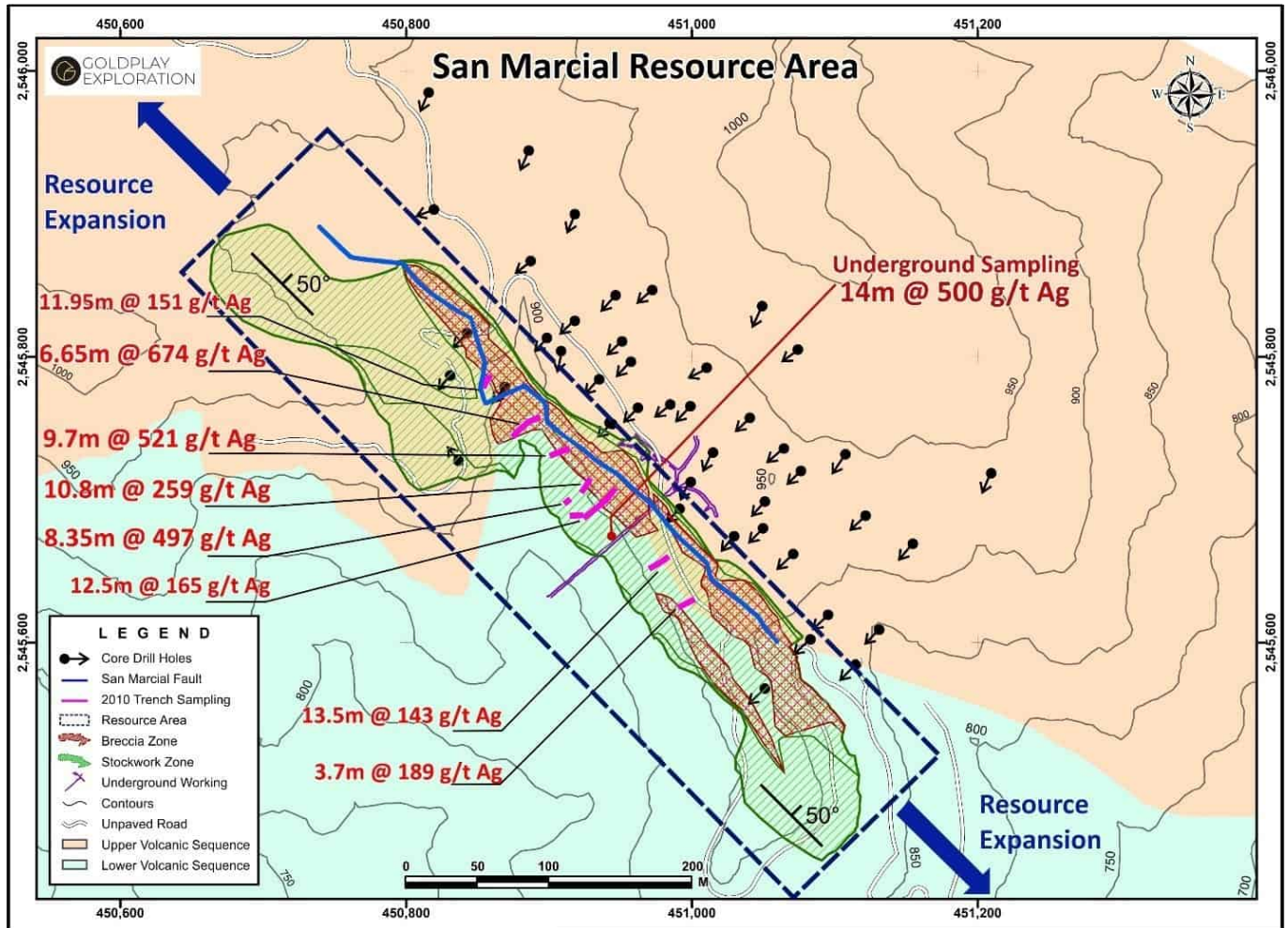


Figure 1 Location Breccia and Stockwork Zone in the San Marcial Resource Area (CNW Group/Goldplay Exploration Ltd)



Figure 2 San Marcial – Location of Resource Area and New Targets Inside Concession (CNW Group/Goldplay Exploration Ltd)