Goldplay Outlines Five New Exploration Targets at the San Marcial Project in Mexico

written by Raj Shah | January 18, 2019



January 18, 2019 (Source) – **Goldplay Exploration Ltd. (TSXV: GPLY, FRANKFURT: GPE, OTCQB: GLYXF) ("Goldplay" or the "Company")** is pleased to announce that the exploratory program carried out in the December quarter of 2018 at the San Marcial Project, located in the Rosario Mining District, Sinaloa, Mexico, has expanded the Ag-Zn-Pb-Au mineralized trend beyond the historic NI 43-101 resource area ("historic resource"), with five new exploration targets identified.

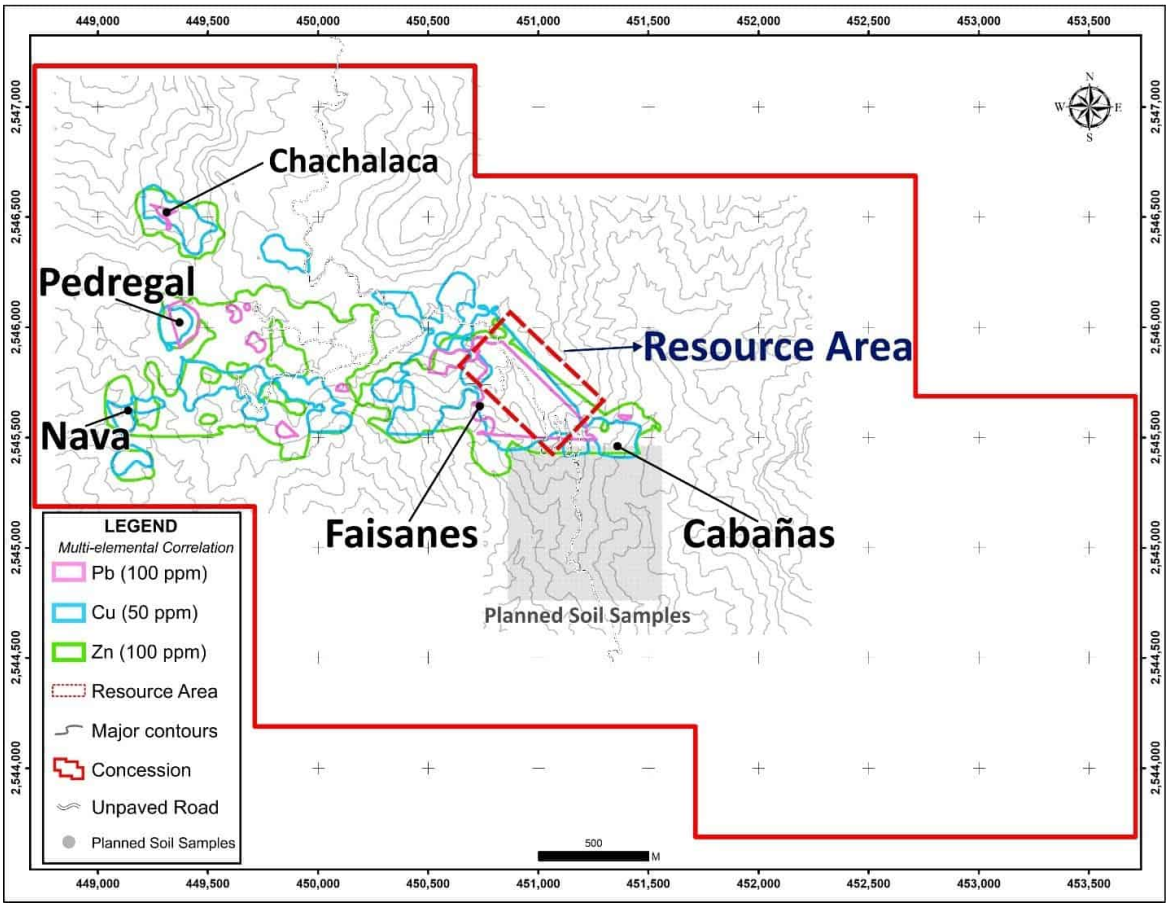


Figure 1 San Marcial Project – New Targets: Soil anomalies (CNW Group/Goldplay Exploration Ltd)

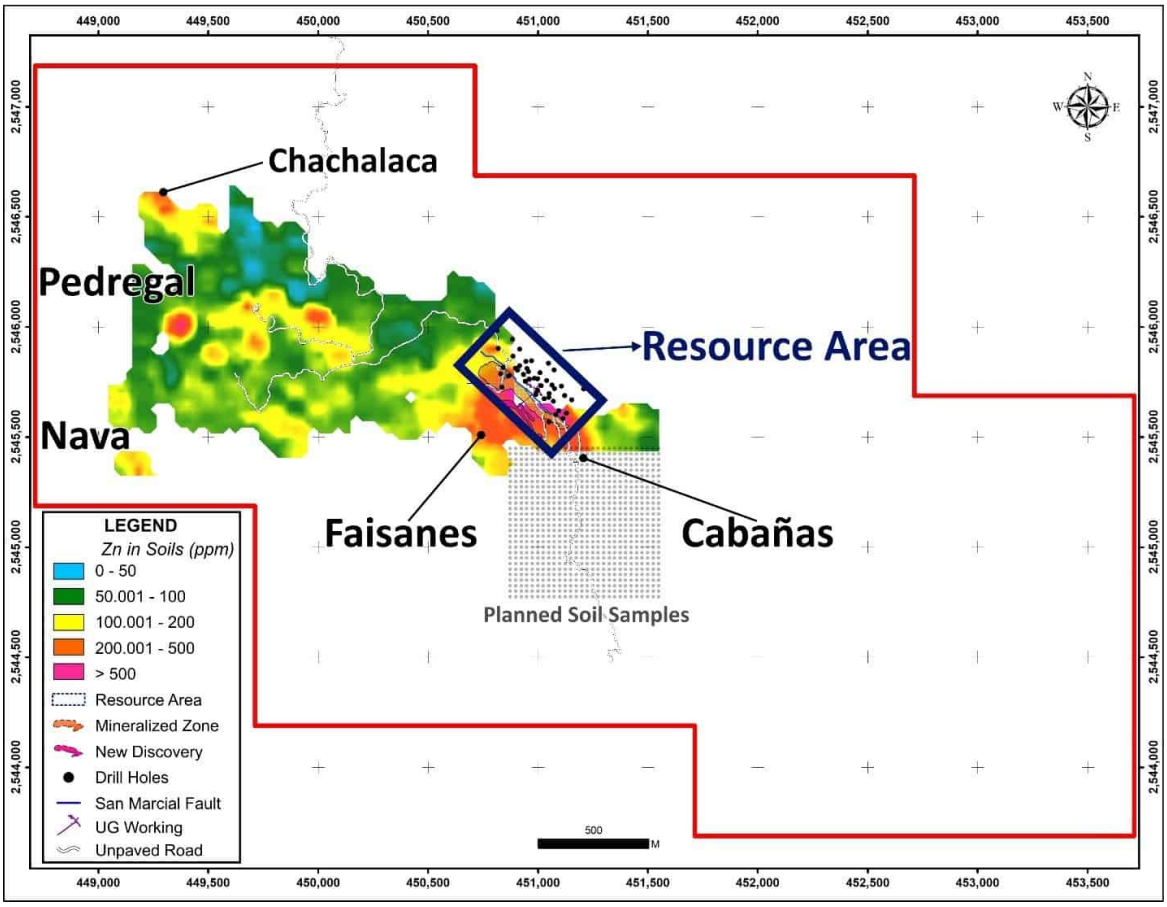


Figure 2 San Marcial Project – New Targets: Zinc in soil anomalies (CNW Group/Goldplay Exploration Ltd)

The Company continues to advance the exploration program to refine the knowledge of these targets, aiming at a preliminary drilling program in 2019.

The December quarter exploration program at San Marcial included soil and rock chip sampling as well as geological mapping along the 3.5 km mineralized trend. The five newly identified targets are located in the vicinity of the historic resource (Figure 1). The Company is in the process of finalizing a current resource estimation after completing assaying of 22 additional core drill holes in 2018. The company expects completion of the resource estimation in January 2019.

The 12.5 km^2 San Marcial project is located 5.5 km south of the Plomosas mine and is easily accessible by paved highways and

dirt roads. Since consolidating a large portfolio of concessions, consisting of 250 km^2 in the historical Rosario Mining District adjacent to other silver and gold producers, Goldplay has become one of the largest concession holders in the region.

Goldplay President and CEO Marcio Fonseca commented, "*The San Marcial Project is one of Goldplay's top prospects in the Rosario Mining District and we continue to be very encouraged by the upside potential for expansion of the deposit. The exploration results on the 3.5 km mineralized trend, in the vicinity of the historic resource, show high quality targets delineated by the soil and rock sampling program. The 250 years of historical silver and gold production in the region, with several multi-million ounce historic silver mines nearby, support the exploration potential for new discoveries on the under-explored San Marcial concession.*"

During the second half of 2018, the Company's San Marcial exploration program included the following field activities:

- Soil and rock sampling concentrated on areas with field evidence of epithermal alteration and strong structural settings, similar to the geological setting of the historic resource.
- Goldplay completed an initial 18 north-south soil grid lines, with preliminary anomalies encountered on multiple lines, including zinc, lead and other indicator elements (Figure 1) which have proven important for targeting of the San Marcial silver deposit. Each of the anomalies was followed up by infill soil lines.
- Five new targets, named Faisanes, Cabañas, Nava, Pedregal and Chachalaca (Figure 2) have been prioritized for follow up exploration and detailed geological mapping in the first half of 2019.

- The company reopened shallow historical underground workings for detailed structural mapping and sampling.
- Detailed interpretation and analysis of the current exploration results are underway to confirm targets for drilling in 2019. Drill permits are already approved for the San Marcial Project (See News Release dated 18 October 2018).

The soil sampling program consisted of 1,374 samples. The samples were initially collected from 18 north-south lines on a 100 m x 25 m grid. Samples were then securely transported to the Company's Rosario headquarters, oven dried and analyzed by NITON XL3t 955 portable XRF equipment for 33 elements. Results revealed anomalous values in zinc, lead and copper, as well as other elements. These elements have all shown to be important co-products in the San Marcial silver deposit.

Five zones of anomalous geochemistry were identified in the NW, SE and immediately adjacent to the historic resource – named Faisanes, Cabañas, Nava, Pedregal and Chachalaca. The distribution of zinc in soils provides significant encouragement, with anomalous zinc (>100ppm) continuing at least 1.5 km to the west and northwest of the San Marcial silver resource area (Figure 2). Infilling of the soil grid to 25 m x 25 m on the five target areas has commenced.

Some 150 m to the southeast of the resource area, a strong (>500 ppm) zinc anomaly, approximately 75 m in width, has been encountered on the last soil line sampled to date. This could represent a significant extension to the San Marcial resource area. A large 25 m x 25 m soil sampling grid in this Cabañas area is now scheduled for immediate follow up.

Given the demonstrated close association of zinc with silver and, to a lesser extent gold, in the San Marcial Silver Project, the zinc XRF results are considered good preliminary indicators

of potential precious metal rich zones. These quick turnaround XRF results will be followed up later in the field program by laboratory analysis of samples to test the silver and gold content, as XRF is not yet considered to be a satisfactory method for testing precious metals in soil sampling.

Geological mapping has identified strong regional fault structures hosting pervasive epithermal alteration. The Cabañas and Faisanes targets demonstrate very similar geology to the historic resource, while the Nava and Pedregal targets indicate a NE-SW trending structural setting, superimposed on a volcanic package of rhyolites and andesites cut by dioritic dykes. The Chachalaca trend is interpreted as a NW-SE trending structural setting, with geology dominated by rhyolites and andesites.

In addition to the infill and extensional soil sampling program, the Goldplay technical team is following up the identified anomalies with detailed geological and structural mapping, as well as sampling of rock chips and channels, again using the NITON for quick turnaround XRF results to aid with target definition. Selected samples will then be analyzed by the laboratory.

NITON XRF

All samples are securely transported to the Company's Rosario headquarters for XRF analysis. Members of the Goldplay technical team have been trained in the use of the NITON XL3t 955 portable XRF equipment, with results downloaded directly to a PC. Routine calibration of the equipment is undertaken at the Company's Rosario headquarters, which is where all readings are completed in an isolated XRF room. Soil samples are oven dried prior to preparation and analysis.

This report does not contain any reference to gold or silver results determined by XRF analysis due to limitations in the

accuracy of measurements of precious metals by this method. As the new targets are developed further, samples will be sent to the laboratory for fire assay analysis to quantify gold and silver levels.

Qualified Person and QA/QC

The scientific and technical data contained in this news release related to the San Marcial Project was reviewed and/or prepared under the supervision of Marcio Fonseca, P.Geo., a non-independent qualified person to Goldplay Exploration Ltd. who is responsible to ensure that the geological information contained in this news release is accurate and who acts as “qualified person” under the National Instrument 43-101 Standards of Disclosure of Mineral Projects.

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.

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