

Osisko Metals explores Bathurst camp for base metals

ZINC | Bringing innovation to mature mining camp in New Brunswick

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Osisko Metals (TSXV: OM; US-OTC: BWMXF) has assembled a large land package in New Brunswick's historic Bathurst mining camp, where it intends to apply modern analytics to historical data.

Osisko Metals has also staked 430 sq. km in Quebec that includes what it calls "the largest surficial zinc anomaly in Eastern Canada."

The company emerged in May when junior Bowmore Exploration joined the Osisko Metals group after a 3-to-1 share consolidation. The newly branded, leaner vehicle is now helmed by veteran Bathurst-camp geologist Jeff Hussey, while former Bowmore president Paul Dumas has shifted into the chief financial officer role at Osisko Metals.

Osisko Mining (TSX: OSK) co-founders Robert Wares and John Burzynski have joined the board of directors.

"I've been working with [Paul Dumas] and Bob Wares for the past eight months. My family is from Bathurst and I was with Noranda for 19 years, which involved working at the Brunswick No. 12 mine," Hussey, now Osisko Metals president and CEO, says during a phone interview.

"Bob and I took a hard look at a lot

of available ground across the camp and staked this big land package, which is still growing. We're sitting in the third-largest volcanogenic massive sulphide (VMS) camp globally, and it's an opportune time for our story, given the emerging supply-demand fundamentals for zinc and lead," he says.

The company targeted over 400 sq. km in the Bathurst region earlier this year after **Glencore** (LON: GLEN) abandoned key claims in the camp. Osisko Metals is looking at historical resources across its land package to assess developing a centralized concentrator.

The company has divided the 50 km wide Bathurst region into eastern and western target areas. Hussey says that the conceptual multi-deposit model is more effective when deposits are located within 25 km of the processing facility.

Osisko Metals' goal is to leverage modern software on historical geophysical data to establish and expand resources and move to economic studies.

"We're going to take an innovative approach to exploration in the region. It's a mature mining camp, but there have been a lot of geophysical surveys by the provincial government and Glencore," Hussey says.

He says his firm will take magnetic and gravity data from publicly available surveys to carry out 3-D



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inversions. The team will reconcile this with its interpretation of the geology to improve drill targeting.

"Everyone has used the geophysical data in one way or another, but we want to push it to another level," he says.

In July, Osisko Metals locked up the Mount Fronsac property, which had been owned by Glencore and hosts a historical resource of 1.26 million tonnes grading 7.7% zinc and 2.2% lead. Osisko Metals says the deposit occurs in a "similar stratigraphic location" to the Brunswick No. 12 Horizon.

Meanwhile, Osisko Metals staked 12 grassroots zinc properties in Quebec based on surface sediment geochemistry and mineral occurrences found in government databases.

Osisko Metals says the properties are all hosted in "classic geological

environments for zinc," including: stratiform sediment and its metamorphic equivalents (SEDEX), VMS and Mississippi Valley Type.

The company calls the package its "Quebec Genex" projects, which are headlined by the Schefferville, Montauban and Normetal Sud properties.

"Bob was assembling the Quebec land package in tandem with the work we were doing together in Bathurst. He diligently went through the provincial database looking for zinc showings, which involved sorting through lake sediments, silts and related occurrences," Hussey says.

"Schefferville is the largest surficial zinc anomaly in Eastern Canada, for example. So we're up there sampling the Menihék Formation sediments around these anomalous lakes. There's potential for a good SEDEX environment, and we want

to bring our innovative techniques to the table."

Osisko Metals raised nearly \$29 million in July via two financings.

The company closed a bought-deal private placement wherein it issued 21.6 million units at 80¢ each for gross proceeds of \$17.3 million. The units include a half-purchase warrant exercisable for two years, with each full warrant carrying a \$1 strike price.

The second financing included a non-brokered private placement of 3.9 million flow-through shares priced at 90¢.

Osisko Metals shares closed at \$1.47 per share at press time. The company has 66.2 million shares outstanding for a \$97-million market capitalization, with **Osisko Gold Royalties** (TSX: OR; NYSE: OR) and **Osisko Mining** (TSX: OSK) jointly holding a 20.5% equity stake.

"We went to the market looking for a lesser sum in that financing, but there was extreme interest in the story. We'll be active on the Quebec projects, and we're looking at starting up a drill campaign in Bathurst later this year," Hussey says. "But this financing also helps us look around the base metal sector for stranded assets or other opportunities that could get us into a development scenario much sooner. There's a phenomenal depth in the Osisko Metals technical team that we can bring to bear." TMM