

## Osisko Metals busy acquiring base metal assets

**OSISKO METALS INC.** [OM-TSXV; BWMXF] has a vision of becoming a leading Canadian base metals mining company. The company believes there is a growing opportunity in the zinc market due to an increase in global infrastructure projects and a corresponding zinc supply deficit. Osisko Metals plans to capitalize on this opportunity by developing multiple base metal deposits with historical resources that are located within trucking distance to a central concentrator facility.

To that end, Osisko Metals has been aggressively consolidating historical deposits in the Bathurst Mining Camp (BMC) in New Brunswick. In 2017, the company acquired over 63,000 hectares including six historical projects; 1) Key Anacon 2) Mount Fronsac, 3) Gilmour South, 4) Flat Landing Brook, 5) Louvicourt, and 6) Camel Back. Osisko Metals plans to convert and upgrade the historical resources to NI 43-101 compliant status with the 50,000-metre maiden drill campaign that began at the end of 2017.

The company also signed a deal to purchase the Key Anacon property which covers 12 km of the prolific Brunswick Horizon. The property has two VMS-type deposits with historical non-NI43-101 compliant resources totalling 1.87 Mt at 6.93% zinc, 2.63% lead and 84 g/t silver. The best historical intersection reported at Key Anacon returned 19.9 metres grading 7.68% Zn, 3.58% Pb, 0.33% Cu and 78 Ag/t.

In December, the company released initial drill program results from the Mount Fronsac Project, 60 km west of Bathurst. The highlight drill hole MF00-31-Wedge intersected 12.4 metres averaging 9.29% zinc and 2.84% lead and 45.1 g/t silver. The Mount Fronsac deposit hosts a non-NI43-101 compliant, unclassified historical resource of 1.26 million tonnes grading 7.65% zinc, 2.18% lead, and 40.3 g/t silver.

On December 18, 2017, Osisko Metals announced a purchase agreement to acquire Pine Point Mining for an all-share deal worth about \$0.21 per Pine Point share or

a total equity value of about \$34 million on a fully diluted in-the-money basis. The Pine Point Project adds another cornerstone asset to the Osisko Metals portfolio.

The project is located near Hay River in the Northwest Territories, which boasts substantial infrastructure including paved road access, a rail-head and hydro-electric power on site. The Pine Point Project has had a positive Preliminary Economic Assessment study that was filed on May 2017, which focused on a restricted subset of open-pit deposits, totaling 25.8 million tonnes of measured and indicated resources grading 2.9% zinc and 1.1% lead and 3.7 million tonnes of Inferred resources grading 2.9% zinc and 0.8% lead.

During its 23-year production history, over 98 deposits were identified of which 52 were mined, producing nearly 64 million tonnes grading 7.0% zinc and 3.1% lead. Osisko Metals intends to selectively convert and upgrade the 46 undeveloped historical deposits to NI43-101 Compliance, as well as deploy modern exploration tools

with innovative strategies across the property to better enable the discovery of new deposits. Osisko Metals expects to leverage an exceptional exploration upside potential to significantly enhance the resource of the Pine Point Project before advancing further economic studies.

In Québec, Osisko Metals acquired 42,000 hectares that cover 12 highly prospective grass-root zinc targets that will be selectively advanced through exploration. **Osisko Gold Royalties Ltd.** [OR-TSX, NYSE] and **Osisko Mining Inc.** [OSK-TSX] are significant shareholders of the company owning 20.2% of the outstanding shares of the company.

At the close of the Pine Point transaction, Osisko Metals will continue to have a strong balance sheet, with approximately CDN \$38 million of cash available to aggressively advance both its brownfield assets. The company currently has 70.4 million shares outstanding and a market capitalization of \$60 million. ■

### Skeena intersects 21.77 g/t gold over 7.20 metres at Snip

**SKEENA RESOURCES LTD.** [SKE-TSXV] reported drill results from its Snip Project in the Golden Triangle, northwest British Columbia. The 2017 underground drill program finished on December 16, 2017 with 8,650 metres drilled in 62 holes.

Targeting the eastern extension of the Twin Zone on Section 4860E, hole UG17-040 cut 50.21 g/t gold over 2.00 metres while 40 metres up-dip, drill hole UG17-030 intersected 12.84 g/t gold over 2.90 metres. On the same section 110 metres further up-dip, drill hole UG17-039 intersected two additional intersections grading 20.17 g/t gold over 2.40 metres and 14.40 g/t gold over 1.55 metres. The Twin Zone at the Snip Mine comprised the bulk of the produced ounces.

Supplementary results on section 4860E include hole UG17-030 which cut 21.77 g/t gold over 7.20 metres, including 133.00 g/t gold over 1.00 metre. This newly discovered mineralization may indicate a new shear zone between the Twin Zone and 150 Vein. Drill hole UG17-018 in the 412 Zone intersected 22.01 g/t gold over 1.90 metres and 7.99 g/t gold over 3.00 metres. Located 80 metres down dip of UG17-018, hole UG17-020 cut 132.00 g/t gold over 0.50 metres.

Underground drilling is expected to start in February. ■