Pacifico Minerals Limited Borroloola West Project Update

14.05.2015 | ABN Newswire

Perth, May 14, 2015 AEST (ABN Newswire) - Pacifico Minerals Limited (ASX:PMY) ("Pacifico" or the "Company") is pleased to announce the completion of recent field reconnaissance, and an assessment of Versatile Time Domain Electromagnetic ("VTEM") data flown for Pacifico, leading to the development of drill targets for zinc - lead - silver and copper.

Exploration conducted by Pacifico on the Borroloola West Project since July 2013 includes compilation of all existing geophysical data, definition of preliminary target areas, geological mapping, rock chip sampling, aircore drilling targeting copper and manganese mineralisation, airborne magnetic and VTEM survey of three selected prospective areas - Berjaya, Bing Bong and Coppermine Creek.

Pacifico have a farm-in agreement with Sandfire Resources NL ("Sandfire") on the Borroloola West Project, consisting of 15 exploration licences, one mining licence and one exploration licence application (see Figure 1 in link below). Pacifico has recently negotiated a six month extension on the farm-in and will now be required to spend a further $385k by 20 December 2015 (previously 20 June 2015) to earn a 51% interest.

Pacifico remains fully committed to advancing its flagship Berrio Gold Project in Colombia, however, in support of the Directors long term view on the value that the Borroloola West Project presents for shareholders, we intend to explore either ourselves or in conjunction with a joint venture partner.

Berjaya prospect (Zinc-lead-silver)

The Berjaya EL lies about 30km west of the McArthur River Mine, Australia's largest zinc-lead-silver producer, and one of the largest zinc-lead-silver deposits in the world, with a total deposit size of 227Mt of 13.4% Zn + Pb. Rox Resources Ltd's recently discovered Teena Deposit (exploration target of 60 - 80Mt of 8 - 12% Zn + Pb) lies between the McArthur River deposit and Pacifico's Berjaya tenement.

The Berjaya tenement contains probable Barney Creek Formation, and major growth faults, key geological components at both the McArthur River mine and the Teena deposit.

The Barney Creek Formation within the Berjaya tenement has been indicated in previous drilling by Mount Isa Mines Ltd, geological mapping by BHP Minerals Pty Ltd ("BHP"), the recent VTEM survey flown for Pacifico, and mapping by Pacifico of parts of the regional stratigraphy. Major north-east trending growth faults are indicated by the geological mapping, and confirmed by the VTEM survey (see Figures 2 and 3).

The rocks on the Berjaya tenement are highly weathered, making previous conventional stream sediment and soil sampling programmes of limited effectiveness.

Figure 3 (below) shows a VTEM Resistivity Depth Image ("RDI") section and interpretation. More conductive zones in the VTEM correspond to the down dip extent of weathered beds observed at surface that contain abundant disseminated boxworks after sulphides, and are indicative of the prospective stratigraphic package, of which the potentially mineralised Barney Creek Formation is a part.

Figure 3 also clearly shows a displacement of the conductive horizons that can be interpreted as a growth fault, and correlates with the mapped surface geology. It is planned to drill test for zinc-lead-silver mineralisation, targeting the base metal prospective Barney Creek Formation close to these major growth faults.

Coppermine Creek prospect (copper-cobalt)

Sandfire previously drilled several diamond and reverse circulation holes in the Coppermine Creek area. One of their diamond holes intersected the Coppermine Creek copper mineralised structure, which can be seen at surface as outcropping gossans with malachite staining (see Figure 4).

The mineralised structure has a mapped strike length of about 900m (see Figure 5). Reverse circulation and

diamond drilling, including Sandfire's BRCD001, has only been undertaken at the eastern extremity.

The data has been reassessed by Pacifico, and the important geological contacts and gossans have been mapped out. The drill intersections and surface outcrops indicate both fault controlled and stratabound bedding replacement mineralisation. The stratabound mineralisation lies within broader zones of highly fractured and brecciated dolomites (see Figure 6).

VTEM modelled conductivity profiles over Coppermine Creek confirm, and greatly extend, our geological model of gently dipping stratiform copper mineralisation at around 200m depth. Sandfire's BRCD001 indicates high grades of copper in this material (see Table 1).

Silcretisation, leaching, and alluvial and colluvial cover obscure in part the surface strike and width of the structure. Shallow drilling has obtained significantly better results than are indicated by the extent of surface gossanous mineralisation, particularly Mount Carrington Mines Pty Ltd ("Carrington") reverse circulation drillhole GPRC09. The 700m strike extent to the west is completely untested. Best intersections obtained from previous explorers are summarised in Table 1.

Reverse circulation and diamond drilling are planned to test this structure along strike, and at depth for stratabound mineralisation.

Four Mile prospect (zinc-lead-silver)

Prospective Barney Creek Formation has been mapped by the Northern Territory Geological Survey (Mount Young 1:250,000), and confirmed by Pacifico, over more than 30 kilometres of strike within EL28658. VTEM, flown for Pacifico, shows some conductive zones downdip of outcropping, gently westerly dipping Barney Creek Formation.

Growth faults, north of the VTEM survey area are inferred from the geological mapping (see Figure 7) and confirmed in the regional aeromagnetics. The southernmost fault has a number of base metal occurrences along its strike, confirming it as a possible mineralisation conduit. Further reconnaissance mapping and pXRF is planned to define reverse circulation drill targets.

Bing Bong prospect (copper-gold)

The exploration area is covered by alluvium and Cretaceous sediments up to 65m depth. Aeromagnetic data indicates a faulted and altered intrusive complex beneath this cover, intruding Proterozoic sediments. Nathan Group sediments were intersected in a diamond hole drilled previously by BHP outside the western border of EL24401.

The interpreted intrusive complex could be part of a prominent trend of intrusive complexes that extends from northern Queensland. Porphyry copper-gold, breccia gold, and skarn mineralisation is associated with these Permian - Carboniferous intrusive complexes e.g. the Mount Leyshon Intrusive Complex.

Drilling within the licence, by BHP has recorded intersections of trachytes in the basement. In the Redbank area of the Northern Territory, copper mineralisation is contained in pipe shaped bodies associated with trachytes and trachy-andesite lavas

Evaluation of a VTEM survey flown for Sandfire has defined several steeply dipping pipe-like targets. Diamond drill holes are planned to intersect two of these prioritised targets within the interpreted intrusive complex to test for copper and gold mineralisation.

Lorella prospect (copper)

VTEM over the Lorella project has been re-evaluated. Pacifico have drilled a number of aircore holes that established that the copper mineralisation extends northwards (previously reported, see ASX announcement 22 January 2014).

Weakly disseminated chalcopyrite and pyrite occurs widely distributed in shales, siltstones and dolomites. The highest copper grades occur in chalcocite in the oxidised zone at around 20 to 50m depth. The best intersection was Sandfire's diamond drill hole 11BLD006 which intersected 15.5m of 1.3% Cu. The VTEM as modelled by PGN Geophysics shows a flat lying untested conductivity anomaly extending for 3km away from zone that will be tested for extensions of near surface copper mineralisation by an aircore drill program.

Regional (copper, zinc, lead, silver, diamonds, manganese)

The Borroloola West Project contains potential for the discovery of significant deposits of copper, zinc, lead, silver, diamonds and manganese. The project lies 175km SSW of the world-class Groote Eylandt manganese mine with the northern parts overlain by the same marine Cretaceous units as at Groote which have a similar paleogeographic setting and depositional environment. There are several partly drilled manganese prospects and untested geophysical anomalies.

Upcoming reverse circulation and diamond drilling

Pacifico is currently preparing for reverse circulation and diamond drilling. A submission was recently made with the Northern Territory Government for co-funding as part of the Geophysics and Drilling Collaborations program. The Collaborations program is part of the Northern Territory Geological Survey's Creating Opportunities for Resource Exploration initiative and provides co-funding assistance of up to $100,000 per program to successful applicants for selected exploration drilling and geophysical acquisition projects in greenfields areas where there is a paucity of geological information. Pacifico's upcoming drill programs will be finalised once the level of co-funding from the Northern Territory Government is confirmed.

To view all figures, please visit:
http://media.abnnewswire.net/media/en/docs/ASX-PMY-719450.pdf

About Pacifico Minerals Limited

Pacifico Minerals Ltd (ASX:PMY) is a Western Australian based exploration company focussed on advancing the Berrio Gold Project located in Colombia. Berrio is situated in the southern part of the prolific Segovia Gold Belt and is characterised by a number of operational, artisanal-scale adits, tunnels, and declines. The project is 35km from the Magdalena River which is navigable to the Caribbean Sea and has excellent infrastructure in place including hydro power, sealed roads, water supply and telecommunications coverage. Pacifico also has an interest in two other projects in Colombia (Natagaima and Urrao) and one project in the NT, Australia (Borroloola West Project).

Contact

Pacifico Minerals Ltd.
Simon Noon (Managing Director)
Phone: +61 (0)8 6266 8642
Email: info@pacificominerals.com.au