Grid Metals Provides Update on Drilling at East Bull Lake

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TORONTO, August 6, 2020 - Grid Metals Corp. (the "Company") (TSXV:GRDM) is pleased to provide an update on the ongoing 2020 diamond drilling program at its 100% owned East Bull Lake ("EBL") palladium property (the "Property") in Ontario. Anomalous palladium grades were intersected in both of the target areas tested. The company is proceeding with follow up drilling on these new intersections and initial drilling at several other target areas on the Property, which is located approximately 80 km west of Sudbury, Ontario.

Highlights

- Drilling intersected palladium mineralization in two discrete geophysical targets located 800 meters apart;
- At the Kidd target, hole EBL20-02 intersected a 21 metre interval averaging 0.55 g/t Pd including 11.0 m of 0.86 g/t Pd, 0.25 g/t Pt and 0.03 g/t Au (1.14 g/t combined Pd + Pt + Au) containing 0.6m of 2.90 g/t Pd;
- At the Feeder target, hole EBL20-05 intersected wide zones of anomalous palladium mineralization including 17.0m of 0.49 g/t Pd from 15.0m and 36.0m of 0.31 g/t Pd from 67.0m containing a 5.0m intersection of 0.80 g/t Pd, 0.27 g/t Pt and 0.05 g/t Au (1.12 g/t combined Pd + Pt + Au). The highest value was 1.0m of 2.44 g/t Pd, 0.68 g/t Pt and 0.09 g/t Au. This mineralization is along the western edge of a large, near-surface geophysical anomaly developed between three major structures;
- Preliminary results have validated the effectiveness of the magnetotelluric survey (MT) method in detecting disseminated sulfide mineralization in gabbroic rocks on the EBL property; and,
- Additional drill permits have been obtained to further test the Feeder target and complete initial drilling on new targets in the next phase of the program that is scheduled to commence before the end of this month.

Dr. Dave Peck, the Company's Vice President of Exploration and Business Development, stated "in the first five holes of the program two large prospective areas (one previously untested) have yielded significant palladium values. The new drilling results validate our selection of the MT survey method to map out zones of sulfide-bearing gabbroic rocks in the EBL intrusion to significant depths. They will be integrated with other geochemical and geophysical data to vector towards more continuous and higher grade portions of the extensive magmatic sulfide mineralization on the Property."

Drilling Program Overview

A total of seven holes and 2,399 metres were drilled during Stage 1 of the program, which focused on discrete MT anomalies within the Parisien Lake target area in the West Lobe of the EBL intrusion. The targeted style of mineralization for the program is palladium-rich mineralization hosted in gabbroic rocks containing low amounts (i.e., typically <1%) of disseminated copper- and nickel-bearing magmatic sulfides. Drill targets were selected using a combination of geophysical models and historical geological and geochemical data. Analytical results are provided in Table 1, below. Collar locations are shown in Figure 1 and collar specifications are listed in Table 2.

Parisien Lake Feeder Target

Drill holes 1A and 3 targeted both a deeper MT anomaly (PL-4) centered at a depth of approximately 450 metres and directly beneath a shallower MT anomaly (PL-1, see Figure 1) that extends from surface to a

depth of approximately 100 metres. The holes were drilled to a depth of 700 metres and 504 metres, respectively. Both holes were designed to test the easily accessible western edge of these two MT anomalies that are interpreted to represent a potential mineralized feeder zone located near the confluence of three major structures (Figure 1).

Table 1. Selected analytical results for drill core samples from Stage 1 of the 2020 diamond drilling program at the EBL intrusion. Note that the true thickness is estimated to range from 60-85% of the reported interval lengths based on the modelled dip of the lower stratigraphic units of the EBL intrusion. 3E represents the sum of the Pd, Pt and Au concentrations.

Hole Number	Target	From	To	Length (m)	Pd (g/t)	Pt (g/t)	Au (g/t)	3E (g/t)	Cu (%)	
EBL20-01A	Feeder	7.14	8.38	1.24	0.80	0.17	0.05	1.02	0.12	
and		16.00	17.00	1.00	1.13	0.41	0.11	1.64	0.18	
EBL20-02	Kidd Zone	89.52	110.90	21.38	0.55	0.17	0.02	0.74	0.04	
including		89.52	95.90	6.38	0.38	0.13	0.03	0.53	0.06	
with		90.04	91.00	0.96	0.99	0.35	0.10	1.45	0.15	
and including		98.90	109.90	11.00	0.86	0.25	0.03	1.14	0.05	
with		100.90	101.90	1.00	1.77	0.62	0.03	2.41	0.07	
and including		109.30	109.90	0.60	2.90	0.62	0.11	3.62	0.08	
and		131.93	134.93	3.00	1.08	0.34	0.05	1.47	0.18	
EBL20-03	Feeder	116.40	139.64	23.24	0.28	0.08	0.04	0.41	0.12	
including		120.00	127.08	7.08	0.53	0.14	0.06	0.72	0.18	
and including		120.00	123.00	3.00	0.83	0.21	0.10	1.13	0.27	
EBL20-04	Feeder	56.33	86.00	29.67	0.23	0.08	0.03	0.34	0.11	
including		56.33	65.00	8.67	0.31	0.13	0.04	0.48	0.12	
EBL20-05	Feeder	15.00	32.00	17.00	0.49	0.15	0.03	0.66	0.05	
including		15.00	18.00	3.00	1.06	0.31	0.04	1.40	0.04	
with		15.00	16.00	1.00	2.44	0.68	0.09	3.21	0.09	
and including		25.00	26.00	1.00	1.59	0.49	0.11	2.18	0.16	
and		57.00	58.00	1.00	1.86	0.93	0.14	2.43	0.20	
and		67.00	103.00	36.00	0.31	0.12	0.03	0.46	0.10	
including		69.00	74.00	5.00	0.80	0.27	0.05	1.12	0.08	
and including		78.00	79.00	1.00	0.82	0.19	0.04	1.05	0.17	
and including		92.00	95.00	3.00	0.50	0.35	0.05	0.90	0.27	

The upper part of hole EBL20-1A intersected approximately 55 metres of gabbroic rocks with anomalous PGE, Cu and Ni grades associated with disseminated sulfide abundances ranging from trace to 2%. Analytical results for this intersection include maximum grades of 1.12 g/t Pd, 0.41 g/t Pt and 0.18% Cu over 1.00 metres for sample A0285178, taken at a depth of 16.0 to 17.0 metres. At approximately 450 metres depth hole 1A intersected a 170 metre interval of fine- to medium-grained gabbroic rocks containing up to 1% blebby, disseminated chalcopyrite and pyrrhotite centered on the PL-4 MT anomaly. This interval is interpreted to represent a previously unrecognized footwall mafic complex. Despite the presence of visible sulfides, no significant Pd results are reported from this intersection of the PL-4 anomaly. Nonetheless, the results indicate that the MT survey method is effective in delineating gabbroic rocks with disseminated magmatic sulfide mineralization to significant depths. Similar results were reported for hole 3, which intersected 33 metres of weakly mineralized EBL intrusion lower stratigraphy associated with MT anomaly PL-1. The best result for this hole was a 3 metre interval, from 120.0 to 123.0 metres, averaging 0.83 g/t Pd, 0.21 g/t Pt and 0.10 g/t Au (1.13 g/t combined Pd + Pt + Au). Hole 3 also intersected the same footwall mafic complex, also centered on MT anomaly PL-4, that was intersected in hole 1A. Assays are pending for this part of the hole.

Holes 4 and 5 were designed to test the modelled down-dip continuation of the near surface disseminated sulfide mineralization observed in the upper parts of holes 1A and 3. These holes were drilled approximately 130 meters north of hole 1A. Both holes encountered greater disseminated sulfide abundances (locally reaching several percent over one metre) than was observed in either hole 1A or 3, and returned wider intervals of anomalous Pd, Pt, Cu and Ni values (Table 1). From 56.3 to 86.0 metres depth, hole EBL20-04 intersected a leucogabbro unit assigned to the EBL intrusion lower stratigraphy and containing variable amounts of disseminated sulfide mineralization. The best result from hole 4 is an 8.67 metre interval averaging 0.31 g/t Pd, 0.13 g/t Pt and 0.04 g/t Au (0.48 g/t combined Pd + Pt + Au and 0.12% Cu). Drill hole EBL20-05 intersected approximately 100 metres of EBL intrusion lower stratigraphy gabbros before entering the basement gneisses. The average, estimated disseminated sulfide abundance in the gabbros was notably higher than in any of the other holes completed during the program; locally reaching several percent over one metre. Anomalous PGE and base metal contents are present throughout the sulfide-bearing gabbro unit but are concentrated in two main intervals. The uppermost interval extends from 15.0 to 32.0 metres and includes 3.0 metres of 1.06 g/t Pd, 0.31 g/t Pt and 0.04 g/t Au (1.40 g/t combined Pd + Pt + Au) with a single, one metre sample returning 2.44 g/t Pd, 0.68 g/t Pd and 0.09 g/t Au (3.21 g/t combined Pd + Pt + Au). The lowermost interval extends from 67.0 to 103.0 metres and includes a 5 metre interval averaging 0.80 g/t Pd, 0.27 g/t Pt and 0.05 g/t Au (1.12 g/t combined Pd + Pt + Au. A single, 1.0 metre sample taken at a depth of 57.0 to 58.0 metres returned 1.86 g/t Pd, 0.93 g/t Pt and 0.14 g/t Au (2.43 g/t combined Pd + Pt + Au).

Two additional holes, EBL20-06 and -07 were also completed at the Feeder target. Both are located near the collar for holes 4 and 5 (Figure 1). Assay results for both holes are pending.

Analysis: The MT survey enabled the drill program to vector to a sulfide zone intersected in hole EBL20-05 that contained significantly more sulfides than is typically observed in the EBL intrusion lower stratigraphy. The sulfide mineralization intersected thus far at the Feeder target generally have lower average palladium tenors (defined as the metal grade in the sulfide fraction of a rock) than has been reported from most of the historical surface and core samples from the Parisien Lake area. The cause of the decrease in tenor is not known but the Company intends to test the concept of lateral metal zonation as has been documented, for example, in the Lac des Iles palladium deposit in northwestern Ontario. A working hypothesis developed by the Company predicts that palladium and platinum may have been selectively removed in early-formed, high-temperature sulfides that could be concentrated in the stronger part of the laterally extensive PL-1 MT anomaly, in closer proximity to the intersection two interpreted feeder faults (Figure 1). To facilitate testing of this hypothesis, the company recently applied for and received exploration permits that will allow drilling on the central part of the Feeder target located several hundred metres to the east of the recent drill hole locations (Figure 1).

Parisien Lake Kidd Zone Target

Hole 2 tested a shallow MT anomaly (PL-2) located within a known trend of anomalous palladium and copper values intersected in historical drill holes and also detected in outcrop samples (Kidd Zone - Figure 1). The collar for hole 2 is located >150 metres away from the nearest historical drill hole. Hole 2 intersected 372 metres of EBL intrusion lower stratigraphy gabbroic rocks before entering the interpreted basement gneiss unit. Disseminated chalcopyrite and pyrrhotite mineralization are locally present in the gabbroic units, with maximum abundances of up to 3% occurring in an inclusion-bearing leucogabbro that extends from 98 to 135 metres depth. This interval returned local anomalous Pd and Cu values with a maximum grade of 2.9 g/t Pd over 0.6 metres within a 11.0 metre interval grading 0.86 g/t Pd, 0.25 g/t Pt and 0.03 g/t Au (1.14 g/t

combined Pd + Pt + Au). Palladium tenors for the mineralized gabbroic rocks intersected in hole 5 are higher than those seen in the Feeder target drill holes.

Analysis: The grade and palladium tenor of the mineralization intersected in hole 2 confirm the potential of the Kidd Zone to host thicker and higher-grade mineralization. The zone has been defined by widely-spaced drill holes over a strike length of greater than one kilometre and remains open to the east, north and west.

Ongoing Plans

The drill program will continue later in August pending receipt of all assays and field checking of new drill collar locations. The Company intends to drill at least two new holes in the Parisien Lake feeder target and two infill holes within the Kidd Zone.

The next phase of drilling will also involve testing of several new targets on the Property, none of which have been previously drilled. These include:

1. The Twin Towers target area, where a strong MT anomaly is proximal to a cluster of palladium-rich surface samples and directly adjacent to a major, regional structure. This area is underlain by prospective lower stratigraphy rocks and is directly along strike and east of a known trend of palladium mineralization currently being explored by Canadian Palladium Resources (Figure 2);
2. The North Margin target area, featuring coincident surface sampling and MT anomalies which are situated along the Sables River Structure in the West Lobe of the intrusion (Figure 2). This target area is situated approximately three kilometres north of the Parisien Lake Feeder target; and,
3. The South Margin target area, including an area of extensive surface mineralization and untested MT anomalies in the East Lobe of the intrusion (Figure 3).

In addition to the next phase of drilling, the Company intends to:

1. Initiate a surface prospecting and mapping program intended to fill in gaps in historical sampling coverage and to ground truth some of the untested, near surface resistivity anomalies;
2. Complete borehole geophysical surveys on selected Stage 1 drill holes to further establish the correlation between sulfide content, grade and resistivity anomalies; and,
3. Complete whole-rock major and trace element analyses and total sulfur analyses on representative samples to assist in modeling Pd tenor variations and controls on Pd and Cu grade variability in the Parisien Lake area.

Dave Peck will design and direct the next phase of the program. Note that the current program plans are subject to change based on results obtained and other factors. The program will be funded by the existing working capital of the Company.

Quality Assurance and Quality Control

Grid Metals applies best practice quality assurance and quality control ("QAQC") protocols on all of its exploration programs. For the current drilling program, core is logged and sampled at a core facility located in the town of Massey, Ontario - approximately 30 km south of the property. NQ-size drill core samples are cut into halves using a diamond saw. Standard sample intervals of 1.00 metre length are used unless a major geological, structural or mineralization boundary is encountered. Samples are bagged and tagged and driven by Company consultants to ALS Laboratories' sample preparation and analytical laboratory in Sudbury, Ontario. ALS analyzes each sample for Pd, Pt and Au using a lead collection fire assay on a 30 g pulp split and an ICP finish. Copper, Ni and Co are analyzed by ALS using a multi-acid digestion and an ICP finish. The Company uses two PGE certified reference materials ("CRMs") and one analytical blank purchased from Canadian Resource Laboratories to monitor analytical accuracy and check for cross contamination between samples. One of the CRMs or the blank are inserted every tenth sample within a given batch. The analytical results for the two CRMs and the blank for the sample batches reported here did

not show any significant bias compared to the certified values and the results fell within the acceptable limits of variability.

Dr. Dave Peck, P.Geo., has reviewed and approved the technical content of this release for purposes of National Instrument 43-101.

About Grid Metals Corp.

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To find out more about Grid Metals Corp., please visit www.gridmetalscorp.com.

On Behalf of the Board of Grid Metals Corp.

Robin Dunbar - President, CEO & Director Telephone: 416-955-4773|
Email: rd@gridmetalscorp.com
David Black - Investor Relations Email: info@gridmetalscorp.com

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Table 2. Drill hole collar specifications for the June-July drilling program at the EBL property.

Hole Number	Easting (m)	Northing (m)	Elevation (m)	Azimuth	Dip	Length (m)
EBL20-01A	411161	5142022	341	178	85	750
EBL20-02						

410094

5141929

375

340

60

438

EBL20-03	411124	5142214	342	60	85	504
EBL20-04	411127	5142083	342	180	85	192
EBL20-05	411127	5142084	342	360	70	183
EBL20-06	411076	5142082	345	180	85	183
EBL20-07	411116	5142142	346	180	85	149

Figure 1. Location of completed 2020 drill holes in the Parisien Lake area, western lobe, EBL intrusion. Drill target areas and associated near surface geophysical anomalies (PL-1, PL-2) also shown. Background image is a colour gradient map of near surface apparent resistivity based on the 2020 MT survey on which warmer colours have lower resistivity.

Figure 2. Location of proposed drill hole collars in the Parisien Lake, Twin Towers and North Margin target areas that are under consideration for the next phase of drilling in the West Lobe of the EBL intrusion. Background map is a colour gradient image of the near surface apparent resistivity from the 2020 MT survey.

Figure 3. Location of proposed drill hole collars that are under consideration for the next phase of drilling on the South Margin target area in the East Lobe of the EBL intrusion. Background map is a colour gradient image of the near surface apparent resistivity from the 2020 MT survey.

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