

Contact Gold Corp. Provides 2023 Outlook for the Green Springs and Pony Creek Projects

24.01.2023 | [The Newswire](#)

Vancouver, Jan. 24, 2023 - [Contact Gold Corp.](#) (the "Company" or "Contact Gold") (TSXV:C) (OTC:CGOLF) is pleased to provide an initial outlook for its 2023 exploration program, and recap a very successful 2022.

The Company plans to continue advancing the Green Springs oxide gold project in partnership with [Centerra Gold Inc.](#) ("Centerra") (TSX: CG) (NYSE:CGAU), and has begun planning a return to its Pony Creek gold project with a view to expanding the existing gold resource.

- Green Springs is strategically located 7 km immediately east of the Gold Rock project operated by [Calibre Mining Corp.](#) (TSX: CXB; OTCQX: CXBMF) and 20 km southeast of their Pan Mine. The Company is operator of Green Springs and will lead exploration under Centerra's US\$ 10 million earn-in.
- Pony Creek is 100% owned by Contact Gold, and is strategically located immediately south of Orla Mining Ltd.'s Railroad-Pinion Project, on the Southern Carlin Trend (TSX: OLA). The Company published a first-time mineral resource estimate at Pony Creek in early 2022.

"2022 marked a turning point for Contact Gold and our Green Springs gold project. With some of the top oxide gold drill intercepts in the western USA, and the US\$10 million Earn-in deal signed with Centerra, we have solidified Green Springs as one of the top exploration stage gold assets in Nevada." said Matt Lennox-King, President and CEO of Contact Gold. "At Pony Creek we released a maiden resource estimate in early 2022, and have multiple permitted targets identified and drill-ready. With significant leverage to a rising gold price environment, we look forward to designing and executing an exploration program at Green Springs funded by and in concert with Centerra, and to the resumption of resource expansion drilling later in the year at Pony Creek."

Green Springs

Centerra Agreement

On December 9th, 2022 Contact Gold announced that it had entered into an earn-in agreement with a wholly-owned subsidiary of Centerra on the Company's Green Springs oxide gold project located on Nevada's Cortez Trend. Pursuant to the Earn-in Agreement, Centerra has an option to acquire a 70% interest in Green Springs for cumulative earn-in exploration expenditures of US\$10,000,000 and aggregate cash payments to the Company of US\$1,000,000. The first-year work commitment of US\$1,500,000 is guaranteed, and the Company has already recovered costs related to activity at Green Springs in December 2022 and January 2023.

Contact Gold will remain project manager at Green Springs, with exploration led by Contact Gold's Vice President of Exploration, Vance Spalding. The next phase of exploration, including follow-up drilling is expected to commence in Q1 2023. The Company has identified multiple drill targets, and the necessary permitting to begin the 2023 program is already in place. Planning for the 2023 program is in an advanced stage, and is expected to be rolled out in the coming weeks.

For further details on the earn-in with Centerra please see Contact Gold news release dated December 9th, 2022 https://www.contactgold.com/_resources/news/nr-20221209.pdf

For a location map of the Green Springs project, please click:

2022 Green Springs drilling highlights:

The Green Springs property is 18.36 km² encompassing 3 shallow past producing open pits and numerous targets that were not mined. Gold mineralization at Green Springs is hosted within the same Chainman Shale and Pilot Shale units hosting Gold Rock and Pan. The Green Springs project produced high-grade oxide gold from two open pits in the 1980's, and is host to multiple, near-surface Carlin Type gold zones and exploration targets.

The Company completed an impactful step-out drilling program at Green Springs in 2022, focussed on expanding the footprint of the high-grade oxide X-Ray and Tango zones, discovered by Contact Gold in 2021. A total of 2,123 metres were completed in 23 holes, with an average downhole depth of 92 metres.

- X-Ray Zone
 - 1.66 g/t Au over 28.96 metres, from a depth of 9.14 metres, in drill hole GS22-01
 - Including: 2.66 g/t Au over 15.24 metres
 - 0.82 g/t Au over 35.05 metres, from a depth of 9.14 metres, in drill hole GS22-02
 - Including: 1.32 g/t Au over 16.76 metres
 - 1.95 g/t Au over 41.15 metres, from a depth of 15.24 metres, in drill hole GS22-04
 - Including: 3.71 g/t Au over 15.24 metres
- Tango Zone
 - 0.51 g/t Au over 30.48 metres, from a depth of 4.57 metres, in drill hole GS22-09
 - Including: 1.02 g/t Au over 3.05 metres
 - 0.70 g/t Au over 16.76 metres, from a depth of 3.05 metres, in drill hole GS22-08
 - 0.45 g/t Au over 24.38 metres, from a depth of 19.81 metres, in drill hole GS22-11

Pony Creek Project:

The Company's Pony Creek project is located on the southern Carlin Trend, and ties on to the southern boundary of Orla Mining's feasibility-stage South Railroad gold project. In January 2022, Contact Gold announced a maiden resource estimate for Pony Creek, totalling 433,000 inferred pit constrained ounces of gold at an average grade of 0.52 g/t Au, hosted within a near surface Carlin type gold system. The potential for resource expansion at Pony Creek is excellent, with incremental step out and infill growth opportunities, along with large scale undrilled exploration targets. The Company looks forward to completing a resource expansion program in 2023.

Pony Creek Global Mineral Resource Estimate (MRE) as at January 11, 2022

Zone	Cutoff Grade	Short Tons* (2,000 lbs)	Tonnes* (1000 kg)	Avg Grade (ozt/st)	Avg Grade (g/t)	Contained Ounces
Bowl Zone Mixed**		18,457,000	16,744,000	0.018	0.63	340,000
Appaloosa Mixed**		2,059,000	1,868,000	0.015	0.50	30,000

Stallion	Mixed**	7,834,000	7,107,000	0.008	0.27	63,000
TOTAL	Mixed**	28,350,000	25,719,000	0.015	0.52	433,000

*Tons, tonnes and ounces rounded to the nearest 1,000, and may not add due to rounding.

**Mixed lower cutoff grades are utilized depending upon recoveries for oxide, transitional and non-oxide material, using 0.15 g/t Au lower cutoff for oxide material and 0.22 g/t Au for transitional and non-oxidized material.

***Inferred Mineral Resources are not Mineral Reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability. There has been insufficient exploration to define the inferred resources tabulated above as an indicated or measured mineral resource, however, it is reasonably expected that the majority of the Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. There is no guarantee that any part of the mineral resources discussed herein will be converted into a mineral reserve in the future. The estimate of mineral resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues. The mineral resources have been classified according to the Canadian Institute of Mining (CIM) Definition Standards for Mineral Resources and Mineral Reserves (May, 2014) and CIM Estimation of Mineral Resources & Mineral Reserves Best Practices Guidelines (2019).

****The recommended reported resources have been constrained within a US\$1,600/oz gold optimized pit shell.

For further detail on the Pony Creek MRE see Contact Gold news release dated January 11, 2022.

Portfolio properties

Showcase Minerals:

The Company has entered into a purchase option agreement on the non-core Dixie, North Star, and Woodruff projects with Showcase Minerals Inc. ("Showcase") (SHOW:CSE), a newly CSE-listed exploration company. Showcase has the option to earn a 100% interest in the projects over a multi -year period.

In connection with the agreement, Contact Gold was issued 225,646 common shares of Showcase ("Showcase Shares") representing 2% of the issued and outstanding shares of Showcase. To keep the option in good standing, Showcase must continue to make annual issuances of Showcase Shares to maintain at least the Company's 2% shareholding, and make certain cash payments to the Company on the anniversaries of the agreement.

Should Showcase complete the purchase option, Contact Gold will receive additional Showcase Shares taking its ownership to a 5% shareholding in Showcase.

Annual equity incentive awards

On January 23, 2023, the Company awarded stock options to directors, officers, employees and certain consultants to the Company to purchase an aggregate of 2,950,000 common shares in the Company, with an exercise price of \$0.025 per share. The Options were granted pursuant to the Company's Option and Incentive Plan (the "Incentive Plan") and will expire five years from the date of grant, and vest in thirds over the course of three years. The Board also awarded officers and employees of the Company an aggregate of 225,000 Restricted Share Units ("RSUs"). The RSUs, issued in accordance with the Incentive Plan, vest in thirds over the course of three years, and expire December 31, 2026. The Company expects to continue its practice of awarding deferred share units to non-executive directors on a quarterly basis in satisfaction of director fees.

Qualified Person and technical disclosure

The scientific and technical information contained in this news release has been reviewed and approved by Vance Spalding, CPG, VP Exploration, Contact Gold, who is a "qualified person" within the meaning of NI 43-101.

Drill intercepts were calculated using a minimum thickness of 3.05 metres averaging 0.14 ppm gold and allowing inclusion of up to 4.57 metres of material averaging less than 0.14 ppm gold for low grade intervals and higher-grade intervals were calculated using a minimum thickness of 3.05 metres averaging 1.00 ppm gold and allowing inclusion of up to 4.57 metres of assays averaging less than 1.00 ppm gold. Gravimetric assays are used for all Fire Assays above 4.00 ppm gold. Cyanide solubility assays are completed on all Fire Assays greater than 0.1 g/t. True width of drilled mineralization is unknown but owing to the apparent flat lying nature of mineralization, is estimated to generally be at least 70% of drilled thickness in most cases. The Cyanide recovery percentages are equally averaged by interval and are not weighted by gold content per interval. Quality Assurance / Quality Control consists of regular insertion of certified reference standards, blanks, and duplicates. All failures are followed up and resolved whenever possible with additional investigation whenever such an event occurs. All assays are completed at Paragon; an ISO 17025:2005 accredited lab. Check assays are completed at a second, reputable assay lab after the program is complete.

Green Springs is an early-stage exploration property and does not contain any mineral resource estimates as defined by National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI 43-101"). There has been insufficient exploration to define a mineral resource estimate at Green Springs. Additional information about Green Springs is summarized in the NI 43-101 Technical Report entitled "NI 43-101 Technical Report for the Green Springs Project, White Pine County, Nevada, USA" prepared for Contact Gold, with an effective date of June 12, 2020, and dated August 5, 2020, as prepared by John J. Read, C.P.G; an independent consultant and qualified person under NI 43-101, and can be viewed under Contact Gold's issuer profile on SEDAR at www.sedar.com.

Contact Gold satisfied the remaining steps to complete the purchase option of Green Springs with [Ely Gold Royalties Inc.](#), now a subsidiary of [Gold Royalty Corp.](#) shortly after entering into the Earn-in with Centerra, and currently holds a 100% interest in the project.

Additional information about Pony Creek is summarized in the NI 43-101 technical report entitled "Technical Report and Maiden Mineral Resource, Pony Creek Property, Elko County, Nevada, USA", effective and signed February 24, 2022 was prepared in accordance by Michael Dufresne, M.Sc., P.Geol., P. Geo., and Fallon T. Clarke, B.Sc., P.Geo., of APEX Geoscience, based in Edmonton, Alberta.

About Contact Gold Corp.

Contact Gold is an exploration company focused on making district scale gold discoveries in Nevada. Contact Gold's extensive land holdings are on the prolific Carlin and Cortez gold trends which host numerous gold deposits and mines. Contact Gold's land position comprises approximately 144 km² of target rich mineral tenure hosting numerous known gold occurrences, ranging from early- to advanced-exploration and current gold resources.

Additional information about the Company is available at www.contactgold.com.

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Cautionary Note Regarding Forward-Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to the anticipated exploration activities of the Company at the Green Springs and Pony Creek properties, the completion of the earn-in by Centerra at Green Springs, or the completion of the earn-in by Showcase at the Dixie, North Star, and Woodruff projects.

These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: fluctuations in general macroeconomic conditions; fluctuations in securities markets; fluctuations in spot and forward prices of gold, silver, base metals or certain other commodities; fluctuations in currency markets (such as the Canadian dollar to United States dollar exchange rate); change in national and local government, legislation, taxation, controls, regulations and political or economic developments (including those arising from the Covid-19 coronavirus outbreak); risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected formations pressures, cave-ins and flooding); inability to obtain adequate insurance to cover risks and hazards; the presence of laws and regulations that may impose restrictions on mining; employee relations; relationships with and claims by local communities and indigenous populations; availability of increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development (including the risks of obtaining necessary licenses, permits and approvals from government authorities); and title to properties. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Readers should not place undue reliance on the forward-looking statements and information contained in this news release. The Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

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Die URL für diesen Artikel lautet:

<https://www.goldseiten.de/artikel/566507--Contact-Gold-Corp.-Provides-2023-Outlook-for-the-Green-Springs-and-Pony-Creek-Projects.html>

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