

The Argyle gold deposit, a recent discovery on Anaconda's Point Rouse project, Newfoundland, Canada

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Gold mineralization was first discovered at the Argyle prospect in mid-2014 through the collection of systematic B-horizon soil samples in an underexplored area ~5 kilometres west of the Anaconda Mining Inc.'s Pine Cove Mine on the Point Rouse project. Gold mineralization at Argyle is hosted within a 40 m-thick, gently north-dipping east-west striking gabbro sill that is interpreted to be coeval with the bounding mafic tuffs and flows of the Snooks Arm Group. The Argyle prospect is hosted in a magnetic gabbro that contains discrete zones of magnetite destruction associated with zones of hydrothermal alteration and gold mineralization. Gold mineralization is associated with 1–5% pyrite and the host structure to the mineralization is a weak to moderate IP chargeability anomaly.

Since 2014 systematic exploration including prospecting, mechanized trenching, geological mapping, ground induced polarization and magnetic geophysical surveys and preliminary diamond drill testing has outlined a zone of gold mineralization and associated hydrothermal alteration over a strike length of at least 600 m and down-dip for 225 m.

Initial drill testing (22 holes; 2 174 m) of the Argyle prospect in 2016 has returned encouraging preliminary results upon which to base future exploration and resource definition. Initial drill results include the following highlight grades: 2.09 grams per tonne ("g/t") over 14.0 m (18.0 to 32.0 m) in hole AE-16-20; 6.09 g/t over 8.9 m (35.0 to 43.9 m) in hole AE-16-11; 5.52 g/t gold over 15.0 m (34.0 to 49.0 m) in hole AE-16-40; 9.31 g/t gold over 6.0 m (86.8 to 92.8 m) in hole AE-16-39; 2.95 g/t gold over 15.0 m (94.0 to 109.0 m) in hole AE-16-43; and 2.91 g/t gold over 12.1 m (68.3 to 80.4 m) in hole AE-16-33.

The Argyle deposit is similar to and hosted within the same rocks as the nearby Stog'er Tight and Animal Pond gabbros and this deposit type forms a high priority target to find additional gold resources within the Point Rouse project.