



NEWS NUGGETS

Compiled by Shane Lasley

Drills add 400 meters to high-grade Shumagin zone gold vein at Unga

Redstar Gold Corp. June 21 reported that drilling has traced the high-grade gold vein at the Shumagin zone of its Unga gold project for 1,350 meters, which is an extension of about 400 meters. During the spring program at Unga, a historic high-grade gold property on an island just off of the Alaska Peninsula, Redstar completed 12 holes at roughly 100-meter centers, primarily targeting extension of the Shumagin gold zone. "We are excited to have intersected the Shumagin vein structure along strike to the southwest and, in addition, intersected the vein structure within the main breccia system to the northeast with infill drill holes," said Redstar President and CEO Peter Ball. "The work completed this spring both confirms the extension of the vein structure and, importantly, shows that the structure remains open along strike and at depth." The company said 10 of these holes drilled during the first phase of 2017 drilling at Unga cut Shumagin-style breccia, vein mineralization. "Delineating the expansion potential of the Shumagin gold zone to the southwest has been the company's prioritized goal for the initial 2017 spring exploration and drill program," said Redstar Vice President of Exploration Jesse Grady. "A significant panel of vein breccia at the Shumagin gold zone has now been defined that can be infill drilled, while regional exploration efforts can focus on the other noteworthy gold prospects." Core from this drilling has been sent to the lab and assay results are expected in early July. In addition to the drilling, the spring program included mapping, geochemical soil and surface rock sampling, and geophysical surveys. The company said it is currently planning the next phase of 2017 drilling at Unga, which will focus on completing a NI 43-101-compliant resource for the Shumagin gold zone, where 77 holes have been drilled, including 37 completed by Redstar since 2011. Additionally, Redstar is planning to drill other priority gold zones along the roughly six-mile-long Shumagin vein structure, such as Orange Mountain, Empire Ridge, Aquila-Amethyst, and the newly discovered footwall vein to the north of the Shumagin gold zone. "Exploration along this long-lived structure is significant and continues to yield solid results each time the drill bit turns," said Ball. "Once again, the methodical step-out diamond drill program southwest towards Orange Mountain has intersected the Shumagin vein structure."

Black bear kills Pogo explorer

Sumitomo Metal Mining Pogo June 19 reported that a contract employee was fatally attacked by a bear while carrying out geological field work on the Interior Alaska gold property. A second contract employee that was attacked was transported to Fairbanks Memorial Hospital, where he was treated for non-life-



Generally considered timid, black bears have been involved in 10 fatal attacks on humans since 2010, including two such attacks in Alaska in June.

threatening injuries and released the same day. The victims were working at an exploration site about five miles away from the main camp at the Pogo Mine when the bear attacked. A mayday was called and in accordance with site emergency response procedures, a helicopter responded with a paramedic and a physician's assistant on board. Pogo Mine personnel immediately reported the attack to the Alaska State Troopers. The bear, which was later identified as a cinnamon black, was

see NEWS NUGGETS page 8

EXPLORATION

Polaris on the rise

Australian explorer to merge stellar high-grade copper projects in Alaska

By SHANE LASLEY

Mining News

Australia-based Polaris Minerals Ltd. is set to debut as a new exploration company focused on advancing Caribou Dome and Stellar, high-grade copper and copper-gold projects in Alaska.

This new exploration company will be the product of a merger between Coventry Resources, a Perth-based junior that has focused on exploring and expanding Caribou Dome for the past two years, and Vista Minerals Pty Ltd., a privately owned Down Under explorer that owns rights to the adjacent Stellar copper-gold project.

The merger, along with an associated financing and share consolidation, will need to be approved by Coventry shareholders before the deal can be finalized. This approval is expected to be reached at shareholder meeting in West Perth, Australia, on June 30.

Once the deal is finalized, Polaris will own two high-grade copper properties that blanket roughly 22 miles of highly prospective ground along the south flanks of the Alaska Range and just north of the Denali Highway.

Polaris formation

In addition to Coventry and Vista, the property merger involves Millrock Resources, the owner of the Stellar property.

To bring these neighboring properties into one well-funded exploration company, Millrock has agreed to sell Stellar to Vista Minerals in exchange for 25.14 million Vista shares, or 27.7 percent of the Australia-based explorer. This outright exchange of property for shares terminates a 2015 agreement under which Vista was earning an 80 percent stake in the copper-gold property.

The transaction also simplifies the formation of Polaris, the new company that will arise when Vista shareholders, including Millrock, exchange their shares for Coventry shares.

To complete the Polaris formation, Coventry plans to raise AU\$10 million and consolidate its shares on a 1-for-5 basis.

As a result of the transaction, Millrock would own roughly 25.65 million Polaris shares, or about 9 percent of the expected 284 million shares of the new explorer after consolidation and funding.

Mark Bojanjac, who started out as an accountant in the resource sector before rising to top executive positions and is currently the chairman of Coventry, will serve as Polaris' executive chairman.

Frazer Tabart, a geologist with 30 years of experience, including his work for Vista, will be the CEO of the new company.

With the money raised, the merged Polaris team plans to invest US\$6 million – about US\$3.1 million at Caribou Dome and US\$2.9 million at Stellar – on exploration and prefeasibility work over the next two years.

Expanding Caribou Dome

In April, Coventry published the first resource for the high-grade, sediment hosted copper deposit



Averaging more than 16 percent copper, this core is from a hole Coventry Resources drilled into the Caribou Dome deposit in 2015.

at Caribou Dome that meets modern standards.

Using a 0.5 percent cut-off grade, 2.8 million metric tons of total resource (measured, indicated and inferred) averaging 3.1 percent (190 million pounds) copper has been outlined at Caribou Dome.

This resource conforms to JORC standards, the Australian standard for reporting exploration results that is similar to Canada's NI 43-101.

The overall Caribou Dome resource includes 1.6 million metric tons of near surface material considered to be amenable to open pit mining that averages 3 percent (107.8 million lb) copper; and 1.2 million metric tons of underground mineable resource averaging 3.2 percent (82.3 million lb) copper.

This high-grade deposit is found along an 800-meter-long area of the property that is centered on a historically explored area at Caribou Dome.

Over the past two years, Coventry has identified a number of other areas of high-grade mineralization along a strike length of 11 miles at Caribou Dome, including lateral and depth extensions of the deposit.

Expanding the near surface resource ahead of the prefeasibility level work slated for later this year is a priority for Polaris.

The near-surface resource is amenable to mining in two small open pits. An undefined area between these pits is one of the priority drill areas; an area immediately northeast of these pits is another.

The resource area is also open to the southwest and at depth.

The second deepest hole Coventry drilled at the Caribou Dome deposit cut 15.4 meters averaging 7 percent copper about 260 meters below the surface, which demonstrates the potential for adding high-grade copper to the underground resource.

Together, these areas provide compelling

see POLARIS page 8