

# Treasury Metals Announces Updated Resource Estimate at Goliath Gold Project: "Measured" and "Indicated" Resources Totals 1,165,800 Gold and Gold Equivalent Silver Ounces (AuEq)

TSX:TML

TORONTO, Aug. 28, 2015 /CNW/ - Treasury Metals Inc. ("Treasury" or the "Company") (TSX:TML) is pleased to provide an updated National Instrument 43-101 Mineral Resource Estimate (the "2015 Resource Estimate") on its 100% owned Goliath Gold Project located 20 kilometres east of Dryden, Ontario. The Resource Estimate was completed by independent consultant, P&E Mining Consultants Inc. ("P&E").

The "2015 Resource Estimate" is an update to the NI 43-101 Resource Estimate previously released on November 9, 2011 (the "2011 Resource Estimate") and includes results from a database representing an additional 173 diamond drill holes and 29 old re-entered drill holes totaling 50,048 m that were completed between 2012 and 2015.

Highlights include:

- Open Pit and Underground 2015 Resource Estimate:
  - Measured: **90,300** ounces AuEq (1.12 Mt at 2.51g/tonne AuEq);
  - Indicated: **1,075,500** ounces AuEq (19.44 Mt at 1.72 g/tonne AuEq);
  - Inferred: **341,300** ounces AuEq (3.47 Mt at 3.06 g/tonne AuEq).
- New "Measured" Resources identified totalling **90,300** ounces AuEq (Open Pit and Underground).
- Total "Measured" and "Indicated" Mineral Resources now totals **1,165,800** ounces AuEq (20.56 Mt at 1.76 g/t AuEq), an increase of **44%** from the 2011 Resource Estimate.
- Open Pit Resources increased from 348,000 "Indicated" ounces AuEq in 2011 to a combined "Measured" and "Indicated" Resource of 775,600 ounces AuEq in 2015 that more than doubles the near surface gold Resources.
- The combined "Measured" and "Indicated" underground gold resource totals 2,367,000 tonnes and grades 5.13 g/t AuEq for a total of 390,100 AuEq ounces.
- Gold Resources at Goliath remain open at depth and along strike.

"We are very pleased with the conversion of ounces into the "Measured" and "Indicated" categories with this resource as the basis of our upcoming Feasibility Study. These results show the strength of the deposit as we continue down the development path towards our goal of mine operation," said Mr. Martin Walter, President and Chief Executive Officer, Treasury Metals.

Resources were defined using a block cut-off grade of 0.35 g/tonne AuEq for Open Pit Resources (>130 metres elevation above sea level or <260 metres depth from surface) and 1.9 g/tonne AuEq for Underground Resources. Open Pit plus Underground "Measured" and "Indicated" Resources total 20.6 million tonnes with an average grade of 1.69 g/tonne Au and 6.4 g/tonne Ag for 1,114,400 ounces gold and 4,245,000 ounces silver for a total of 1,165,800 ounces AuEq. "Inferred" Resources for Open Pit and Underground total 3.47 million tonnes with an average grade of 2.96 g/tonne Au and 8.3 g/tonne Ag for 330,100 ounces gold and 928,300 ounces silver for a total of 341,300 ounces AuEq.

The Main Zone and C Zone contain the majority of mineral resources from both categories. The 2015 Resource Estimate, which uses a combination of historical and current drilling results, does not incorporate potential metal credits from by-product metals of lead or zinc.

The following table summarizes the NI 43-101 Mineral Resource Estimate in the "Measured", "Indicated" and "Inferred" Resource categories:

## Mineral Resource Estimate Statement (1-3)

	Category	Cut-off AuEq g/t	Tonnage	Au (g/t)	Contained Au (oz)	Ag (g/t)	Contained Ag (oz)	AuEq (g/t)	Contained AuEq (oz)
Open Pit	Measured	0.35	1,015,000	1.90	62,100	7.8	256,000	2.00	65,200
	Indicated	0.35	17,174,000	1.22	675,700	5.2	2,869,000	1.29	710,400
	<b>M+I</b>	<b>0.35</b>	<b>18,189,000</b>	<b>1.26</b>	<b>737,800</b>	<b>5.3</b>	<b>3,125,000</b>	<b>1.33</b>	<b>775,600</b>
	Inferred	0.35	1,351,000	0.99	42,800	4.3	186,000	1.04	45,000
Underground	Measured	1.90	103,000	7.32	24,200	23.1	76,000	7.60	25,100
	Indicated	1.90	2,264,000	4.84	352,400	14.4	1,044,000	5.02	365,000
	<b>M+I</b>	<b>1.90</b>	<b>2,367,000</b>	<b>4.95</b>	<b>376,600</b>	<b>14.7</b>	<b>1,120,000</b>	<b>5.13</b>	<b>390,100</b>
	Inferred	1.90	2,120,000	4.22	287,300	10.9	743,000	4.35	296,300
Total	Measured	0.35&1.90	1,117,000	2.40	86,300	9.2	332,000	2.51	90,300
	Indicated	0.35&1.90	19,437,000	1.65	1,028,100	6.3	3,913,000	1.72	1,075,500
	<b>M+I</b>	<b>0.35&amp;1.90</b>	<b>20,554,000</b>	<b>1.69</b>	<b>1,114,400</b>	<b>6.4</b>	<b>4,245,000</b>	<b>1.76</b>	<b>1,165,800</b>
	Inferred	0.35&1.90	3,470,000	2.96	330,100	8.3	928,000	3.06	341,300

1. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other

relevant issues.

2. *The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category.*
3. *The mineral resources in this press release were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.*
4. *A gold price of US\$1,397/oz and silver price of US\$22.93/oz based on the April 30, 2015 three year trailing average prices and an exchange rate of US\$1.06=Cdn\$1.00 were utilized in the AuEq cut-off grade calculations of 0.35 g/t AuEq for Open Pit and 1.90 g/t AuEq for Underground mineral resources.*
5. *Open Pit mining costs were assumed at Cdn\$5.00/t for mineralized material, Cdn\$3.15/t for waste rock and Cdn\$2.00/t for overburden, while Underground mining costs were assumed at Cdn\$70.00/t, with process costs of Cdn\$13.81/t, G&A of Cdn\$2.72/t, and process recoveries of 95% for gold and 70% for silver.*
6. *The Au:Ag ratio used for AuEq was 82.68.*
7. *A bulk density model averaged 2.76 t/m<sup>3</sup> for mineralized material.*
8. *Totals in the table may not sum due to rounding.*

Treasury also continues work on its Federal Environmental Assessment for the Goliath Project. The first public comment period has ended and Treasury is now in the process of responding to "Information Requests" from the Canadian Environmental Assessment Agency's technical review of the Environmental Impact Statement.

### **Qualified Persons**

The mineral resource estimates were prepared by Eugene Puritch, P.Eng., Antoine Yassa, P.Geo., and Yungang Wu, P.Geo. of P&E Mining Consultants Inc. of Brampton, Ontario, Independent Qualified Persons ("QP"), as defined by National Instrument 43-101. Mr. Puritch has reviewed and approved the contents of this news release. The 2015 Resource Estimate technical report will be filed on SEDAR within 45 days of this news release.

For more information about Treasury Metals, please visit the Company's website at [www.treasuremetals.com](http://www.treasuremetals.com).

### **Cautionary Notes Concerning Estimates of Mineral Resources**

This news release uses the terms "Measured", "Indicated" and "Inferred" resources as a relative measure of the level of confidence in the resource estimate. Readers are cautioned that mineral resources are not economic mineral reserves and that the economic viability of resources that are not mineral reserves has not been demonstrated. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies or economic studies except for Preliminary Assessment as defined under NI 43-101. Readers are cautioned not to assume that that further work on the stated resources will lead to mineral reserves that can be mined economically.

### **Forward-looking Statements**

This release includes certain statements that may be deemed to be "forward-looking statements". All statements in this release, other than statements of historical facts, that address events or developments that management of the Company expect, are forward-looking statements. Actual results or developments may differ materially from those in forward-looking statements. Treasury Metals disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, save and except as may be required by applicable securities laws.

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