

Treasury Metals Commences Drilling Campaign at Goliath Gold Project

TSX: TML

TORONTO, Aug. 18, 2016 /CNW/ - Treasury Metals Inc. is pleased to announce it has resumed a diamond drilling exploration campaign at its flagship Goliath Gold Project located in northwestern Ontario. The drilling campaign will start with a 5,000 metre program focused primarily on converting underground "inferred" resource blocks to the "indicated" category within the main resource area.

The drilling program will initially target high grade blocks (those with grades of >5.0 g/t AuEq) that reside mainly within, adjacent to and down dip of known "Main Zone" gold-bearing shoots at vertical depths in excess of 400 m from surface. This will allow additional resource blocks to be incorporated into a proposed underground mining plan. Further, "C Zone" resource conversion drill targets have also been identified for testing. In addition, certain holes will also evaluate possible down dip shoot extensions of known gold mineralization in the main resource area. Drilling is anticipated to start in August and will be carried out by two drill rigs. Some additional infill sampling of existing drill core will be undertaken to add possible new gold ounces to the resource inventory. Assay results will be released in batches as they become available.

In addition to the current drill program, and as a transition to the next phase of drilling, a geological mapping and sampling program will commence in an area directly adjacent to and following the easterly extension of the main resource area for another 1.6 km. The purpose of this program is to locate surface and near surface resource targets and to drill test and evaluate the gold potential of a series of newly identified gold-bearing shoots in this area. In addition to the exploration drilling, the mapping program will also define areas for condemnation drilling at locations where mining infrastructure is currently being considered. The results obtained from the exploration and condemnation drilling will be used to add potential new gold ounces to the resource, provide information to be used for mine infrastructure location planning and define and further prioritize new areas to focus future exploration activities on the property.

To view further details about the Goliath Gold Project, please visit the Company's website at www.treasuremetals.com.

Technical information in this press release has been reviewed and approved by Mark Wheeler, P. Eng., Director of Projects regarding Mine Permitting and Technical content and Paul Dunbar, Exploration Manager, regarding exploration content who are Qualified Persons for the Goliath Gold Project under the definitions established by National Instrument 43-101.

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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