

Treasury Metals Underground Resource Drill Program Intersects 11.5 m of 6.54 g/t Au and 7.04 g/t Ag in the Main Zone at Goliath Gold Project

TSX: TML

TORONTO, Feb. 6, 2017 /CNW/ - Treasury Metals Inc. (TSX: TML) is pleased to announce additional results from its infill drilling program at its 100% owned Goliath Gold Project located in Northwestern Ontario.

Treasury's current drilling program is primarily focused on the conversion and expansion of underground "Inferred" Mineral Resources to the "Indicated" category that reside in and adjacent to the known Main Zone and C Zone gold-bearing shoots.

Highlights from the program include:

- Hole TL16413 that intersected **6.54 g/t Au and 7.04 g/t Ag over an intersection length of 11.5 m** as tabulated below in a section of the Main Zone containing visible gold confirming the presence of high grade mineralization in this area of the eastern shoot.
- Drilling has also intersected some significantly high silver values in association with the gold mineralization.
- Hole TL16410 returned **10.95 g/t Au and 12.44 g/t Ag over a longer intersection length of 7.0 m**. This hole tested a sparsely drilled section of the central shoot area.
- The Company has also commenced a 5,000 m condemnation drilling program covering the proposed placement sites for both mill and mine infrastructure and the tailings storage facility.

Chris Stewart, President and Chief Executive Officer, commented: "Our infill diamond drilling program continues to deliver results for us in the underground including both attractive grades and widths. Over the last two months, we have been working diligently to assess and determine our best path forward towards gold production at the Goliath Gold Project. We will be in a position during February to provide the market with a detailed project update and development timeline putting us in a strong position to make a production decision during this phase and ultimately move into construction of the Goliath Gold Project."

The high grade silver intersections include hole TL16417 that assayed the highest silver content of the current program returning **2.26 g/t Au and 104.03 g/t Ag over 3.0 m**. TL16406 returned **5.50 g/t Au and 78.97 g/t Ag over a sample length of 4.9 m**. This latter hole intersected significant gold and silver mineralization in an area where Mineral Resources were not previously defined.

Visible gold was also observed in hole TL16408A where a section of the C Zone returned **3.66 g/t Au and 2.32 g/t Ag over a core length of 6.0 m**. A hanging wall (HW) zone encountered in the same hole returned 4.42 g/t Au and 16.41 g/t Ag over a sample length of 3.14 m.

Increased sample size and increasing the number of gold fire assays taken on metallic screen fire assayed samples have resulted in significant improvements to a number of the Phase 1 high grade gold intersections. For example, the intersection length of hole TL16410, which originally assayed **11.55 g/t Au over a sample length of 6.0 m** (Press Release dated Nov. 11, 2016), has now returned **10.95 g/t Au and 12.44 g/t Ag over a longer intersection length of 7.0 m**. The metallic assaying method also recovered additional gold in the Main Zone intersection of hole TL16403B increasing the gold intercept from **3.55 g/t Au to 5.15 g/t Au and 4.83 g/t Ag over 3.0 m**.

This program was designed by the Company and P&E Mining Consultants Inc. ("P&E") who prepared the 2015 NI 43-101 Mineral Resource Estimate for the Goliath Deposit (Press Release dated August 28, 2015). Fifteen of the original 20 "high priority" targets have been drill tested at vertical depths ranging from 330 m to 640 m from surface over a strike length of 950 m. Treasury is currently working with P&E to prioritize the next phase of diamond drilling of the main Mineral Resource area and northeast extension. Successful results of the program completed to date and the next phase of drilling should continue to enhance the underground Mineral Resources in the mine plan for future Feasibility level design studies.

The 5,000 m condemnation drilling program will test multiple structural targets that have the highest potential to host gold mineralization along strike to the northeast for a distance of 1,500 m from the proposed open pit.

An updated Longitudinal Section of the Main Zone and C Zone incorporating the new results is available for viewing on the Company's website, at: http://www.treasuremetals.com/s/goliath_gold_project.asp?ReportID=612371

Further exploration results will be released as the drilling program continues and new assays become available.

Technical information in this press release has been reviewed and approved by Paul Dunbar, P. Geo, who is the qualified person under the definitions established by National Instrument 43-101.

Drill Hole Intersections:

Drill Hole	Section		From (m)	To (m)	*Intercept (m)	Au (g/t)	Ag (g/t)	Comments
TL16413	528125E		657.00	668.50	11.50	6.54**	7.04	Visible Gold
TL16408A	527875E		453.86	457.00	3.14	4.42**	16.41	HW Zone
			518.00	524.00	6.00	3.66**	2.32	Visible Gold
			536.00	538.24	2.24	2.06**	34.07	
TL16412B	527325E		438.00	444.00	6.00	4.45**	7.50	
TL16416	527275E		561.00	564.00	3.00	2.37**	10.77	
		<i>Including</i>	561.00	563.00	2.00	3.12**	14.95	
TL16417	528150E		638.00	641.00	3.00	2.26**	104.03	
TL16414A	527350E		479.00	481.00	2.00	2.39**	10.40	
TL16407	527725E		492.62	494.72	2.10	2.13**	8.06	B2 Zone
TL16410	527925E		544.00	551.00	7.00	10.95*	12.44	Visible Gold
TL16406	527975E		555.10	560.00	4.90	5.50**	78.97	
TL16403B	527775E		541.00	545.00	4.00	3.94**	4.28	
		<i>Including</i>	541.00	544.00	3.00	5.15**	4.83	
TL16420	527525E		545.00	551.00	6.00	2.72	P	C Zone
		<i>Including</i>	547.00	551.00	4.00	3.76	P	
TL16419	527575E		528.00	532.00	4.00	2.21**	8.92	C Zone
TL16405	527750E		548.00	551.00	3.00	3.59**	1.40	

The company has not used a Gold Equivalent (AuEq) for the contained silver for this release but would expect the recovery of silver to increase the overall contained AuEq by a small amount in future studies.

For duplicate samples, the highest gold assay is used to calculate the intersection grade; all grades un-cut, no capping

Holes are generally drilled 350-360°Azimuth with inclinations ranging -55 to -80°

All assays are rounded to two decimal places

P-- Assays pending

*Intervals do not indicate true widths.

** Metallic Screen Fire Assay Results

Full Table of Assays will be provided on the company's website

The Company has implemented a quality assurance and quality control (QA/QC) program to ensure sampling and analysis of all exploration work is conducted in accordance with the CIM Exploration Best Practices Guidelines. The drill core is sawn in half with one-half of the core sample dispatched to Actlabs facility located in Dryden, Ontario. The other half of the core is retained for future assay verification and/or metallurgical testing. Other QA/QC procedures include the insertion of blanks and Canadian Reference Standards for every tenth sample in the sample stream. A quarter core duplicate is assayed every 20th sample. The laboratory has its own QA/QC protocols running standards and blanks with duplicate samples in each batch stream. Additional checks are routinely run on anomalous values including gravimetric analysis and pulp metallic screen fire assays. Gold analysis is conducted by lead collection, fire assay with atomic absorption and/or gravimetric finish on a 50 gram sample. Check assays are conducted at a secondary ISO certified laboratory (in this case Accurassay located in Thunder Bay, Ontario). Metallic screen fire assaying is now completed using a 2.0 kg sample and four 50 gm fire assays of the pass (-100 mesh) pulverized material.

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

About Treasury Metals Inc.:

Treasury Metals Inc. is a gold focused exploration and development company with assets in Canada and is listed on the Toronto Stock Exchange ("TSX") under the symbol "TML". Treasury Metals Inc.'s 100% owned Goliath Gold Project in northwestern Ontario is slated to become one of Canada's next producing gold mines. With first-rate infrastructure currently in place and gold mineralization extending to surface, Treasury Metals plans on the initial development of an open pit gold mine to feed a 2,500 per day processing plant with subsequent underground operations in the latter years of the mine life. Treasury Metals is currently in the mine permit process and working towards completion of a Feasibility Study on the Goliath Gold Project.

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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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CNW 07:00e 06-FEB-17