

Treasury Metals Inc. - Condemnation Drilling Highlights Near Surface Expansion Potential Along Strike to the North-East

TSX: TML OTCQX: TSRMF

TORONTO, Oct. 2, 2017 /CNW/ - Treasury Metals Inc. (TSX: TML) (OTCQX: TSRMF) ("Treasury" or the "Company") is pleased to announce results from its recently completed 4,360 metre condemnation and exploration drilling program at the Company's flagship Goliath Gold Project located in Northwestern Ontario. The condemnation program drilled several areas where future mining infrastructure will be situated, including milling and mining operations, and is encouraged by a number of new near surface intersections northeast of the proposed open pit.

The Company is also pleased to report a number of significant intersections in its active infill sampling program which is designed to assay previously drilled but un-sampled drill core in all zones, prioritizing intervals within and near the proposed open pit. Results include TL10-96 intersecting **11.37 g/t over an intersection length of 4.20 m** including 34.80 g/t over 1.30 m within the D Zone and TL10-108 intersecting **31.38 g/t over 3.00 m** including 93.40 g/t over 1.0 m in a HW Zone.

The first drill results from the Company's active infill drilling program are expected to be announced in October.

Condemnation Program:

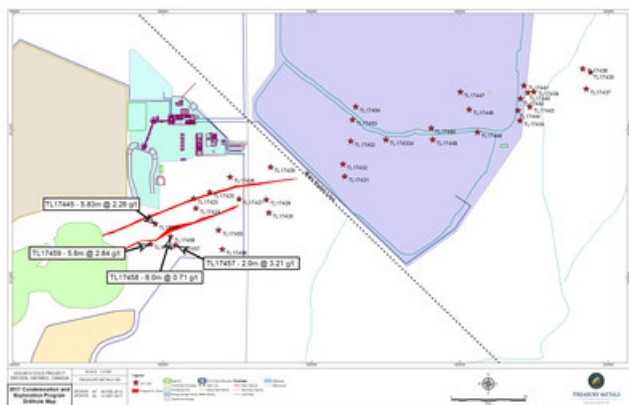
Gold mineralization was intersected in several drill holes approximately 80 to 350 metres from the proposed open pit. Due to the proximity to the proposed open pit, these and future drilling results, may lead to an eastern expansion of the pit and/or underground operations ("East Resource Target").

There were a number of near surface highlights within the C Zone, located approximately 20-60 metres behind the Main Zone.

- TL17-445 intersecting **2.26 g/t over an intersection length of 5.83 m** with visible gold observed and **16.79 g/t over 2.00 m** in the D Zone.
- TL17-459 intersecting **2.84 g/t over 5.60 m** including **13.80 g/t over 1.00 m** and **4.00 m of 0.84 g/t** in the same hole.
- TL17-458 intersecting **0.71 g/t over 8.00 m**.

These new holes are located close to previously drilled holes TL12-268 which contained **3.53 g/t over 7.00 m** and TL12-265 with **0.71 g/t over 8.50 m**. In addition, these results within the C Zone are up dip of a potential developing, inferred high-grade shoot, which includes TL200 that intersected **4.78 g/t over 4.50 m** and TL205 with **1.98 g/t over 4.50 m**, where additional drill holes are planned in the second half of the current drilling program.

The Program also had encouraging results in the same area in the Main Zone (TL17-456, TL17-457) highlighted in the attached image and table ([click here to enlarge image](#)).



Chris Stewart, President and Chief Executive Officer, commented: "After completion of the current infill drilling program in the Main Zone resource area, this East Resource Target will become an area of focus with plans to drill test down dip and along strike to further delineate this exciting target. The additional drilling in this zone has the potential to add near surface mineral resources which may potentially extend the mine life and/or increase production rates from the underground when compared to the proposed mining schedule in the 2017 PEA."

East Resource Target Intercepts:

Drill Hole	Section	From (m)	To (m)	*Intercept (m)	Au (g/t)	Ag (g/t)	Comments
TL17423	528600E	30.00	33.40	3.40	0.72**	2.29	C Zone
TL17425	528650E	57.40	61.30	3.90	0.66**	3.29	C Zone
TL17445	528475E	43.17	49.00	5.83	2.26**	3.89	C1 Zone

		<i>Including</i>	47.00	48.00	1.00	9.92**	3.60	Visible Gold
			57.20	59.00	1.80	2.56**	5.38	C2 Zone
			68.00	70.00	2.00	16.79**	1.90	D Zone
		<i>Including</i>	69.00	70.00	1.00	33.30**	2.10	
TL17455	528675E		63.00	68.00	5.00	0.79	2.02	Main Zone
		<i>Including</i>	66.00	68.00	2.00	1.50	3.45	
TL17456	528700E		132.00	139.00	7.00	0.94	5.81	Main Zone
		<i>Including</i>	137.00	139.00	2.00	2.11	6.60	
TL17457	528550E		58.00	60.00	2.00	3.21**	1.95	Main Zone
		<i>Including</i>	59.00	60.00	1.00	6.09**	2.10	
TL17458	528525E		100.00	108.00	8.00	0.71	2.83	C Zone
		<i>Including</i>	102.00	104.00	2.00	1.71	5.20	
TL17459	528450E		32.00	34.00	2.00	0.82	2.60	Main Zone
			102.00	106.00	4.00	0.84	4.38	C1 Zone
			122.00	127.60	5.60	2.84**	4.96	C2 Zone
		<i>Including</i>	122.00	123.00	1.00	13.80**	19.90	

Notes: 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, an average of the two gold assays are used to calculate the intersection grade; all grades un-cut, no-capping

Holes are generally drilled 320-330° Azimuth with inclinations ranging -45 to -60°

All assays are rounded to two decimal places

*Intervals do not indicate true widths

**Metallic Screen Fire Assay Results

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

As anticipated, a number of the condemnation results, where planned mine infrastructure will go, did not identify significant gold mineralization. These included holes TL17-431, TL-17432, TL17-433A and TL17-446 through TL17-454, all of which are situated within the proposed tailings storage facility. The tailings storage facility appears in the attached image above in purple.

Infill Sampling Program:

This program is designed to assay previously drilled but un-sampled drill core in all zones, prioritizing intervals within and near the proposed open pit. Core samples were assayed from 141 drill holes. The goal of the program is to: 1) potentially increase gold ounces in the next resource estimate expected in first half of 2018; 2) extend existing gold mineralization; and, 3) uncover potential new zones.

The program is reporting a number of significant intersections including:

- TL10-96 intersecting **11.37 g/t over an intersection length of 4.20 m** including 34.80 g/t over 1.30 m within the D Zone.
- TL10-108 intersecting **31.38 g/t over 3.00 m** including 93.40 g/t over 1.0 m in a HW Zone
- TL11-171 intersecting **4.97 g/t over 4.43 m** including 18.20 g/t over 1.00 m in the B Zone
- TL11-209A intersecting **8.61 g/t over 4.00 m** including 29.80 g/t over 1.00 m in a HW Zone.

The next steps for the program will be to re-visit the portions of the geological model wherein these new results are located to better understand their impact and develop a follow-up program which may include additional infill core sampling and new drill holes.

Infill Sampling Program Intercepts:

Drill Hole	Section		From (m)	To (m)	*Intercept (m)	Au (g/t)	Ag (g/t)	Comments
TL0849	527600E		100.00	104.00	3.00	1.61**	15.97	E Zone
TL1096	527250E		206.80	211.00	4.20	11.37**	P	D Zone
		<i>Including</i>	208.00	209.30	1.30	34.80**	P	
TL10108	527475E		250.00	253.00	3.00	31.38**	21.63	HW Zone
		<i>Including</i>	252.00	253.00	1.00	93.40**	64.10	
TL11145	528500E		49.50	52.00	2.50	1.36**	9.90	BMS HW
TL11167	527275E		134.30	137.00	2.70	4.52**	5.18	
		<i>Including</i>	134.30	135.00	0.70	15.90**	11.70	HW Zone
TL11171	527225E		279.57	284.00	4.43	4.97**	1.16	B Zone
		<i>Including</i>	283.00	284.00	1.00	18.20**	0.70	
TL11209A	527075E		43.00	47.00	4.00	8.61**	0.99	HW Zone
		<i>Including</i>	44.00	45.00	1.00	29.80**	2.20	
TL12287	527275E		292.00	294.00	2.00	4.12**	2.09	HW Zone
		<i>Including</i>	292.70	294.00	1.30	6.07**	2.40	
TL13306	527850E		86.00	90.00	4.00	1.12**	1.65	C Zone
TL15387	527550E		143.00	145.00	2.00	3.70**	5.38	HW Zone
TL164-12FE	527625E		417.00	419.30	2.25	3.01**	N/A	B Zone

Notes: 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, an average of the two gold assays are used to calculate the intersection grade; all grades un-cut, no-capping

Holes are generally drilled 320-330° Azimuth with inclinations ranging -45 to -60°

All assays are rounded to two decimal places

*Intervals do not indicate true widths

**Metallic Screen Fire Assay Results

P— Assays Pending

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

Eastern Alteration Corridor:

Other encouraging results from the condemnation program are drill holes, approximately 1.5 km northeast of the proposed open pit and directly east of the tailing storage facility. TL17-439 intersected **1.08 g/t over 2.30 m and 0.49 g/t over 6.80 m**, TL17-442 intersected **1.65 g/t over 3.00 m**, and TL17-443 intersected **0.79 g/t over 3.18 m and 0.76 g/t over 4.00 m**. These holes occurred over a strike length of approximately 100 metres with minimal past drilling. The previous drilling in the 2011 program found several envelopes of gold mineralization including TL11-225 which intersected **1.29 g/t over 3.65 m**, and historical Teck hole TL271 encountered **17.36 g/t over 1.60 m and 1.20 g/t over 3.00 m**. Additional drilling in future programs will help delineate this mineralization and develop its potential.

All results from the program will be available for viewing in the Complete Assay Table on the Company's website.

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

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

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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" and on the OTCQX® Best Market under the symbol TSRMF. 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.

QA/QC Program:

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 AGAT Laboratories located in Mississauga, 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.

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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