



Andes Resources ready to drill



First mover unlisted Australian explorer where belts collide in Colombia

Whilst recent years saw the capital markets shun investment in junior exploration companies, Andes Resources was busy accumulating concessions in Colombia and undertaking early-stage exploration in the high potential Middle Cauca Belt, biding its time, knowing full well that the appetite for exploration would return. The number of mid-tier and senior miners at the 2017 Colombia Gold Symposium in November last year, reaffirmed that there is great interest in Colombia amongst the world's biggest mining houses.

And with drill targets ready to go, Andes—a currently unlisted Australian junior—is targeting discovery of multi-million-ounce gold and copper deposits and looking to drill in 2018, ahead of a listing on the TSXV or ASX.

“We have a clear early mover advantage here in Antioquia with 80,000 hectares of concessions put together over four years, including drill ready targets that we have worked up, but still only 10% of our area has been explored and the entire area has never been drill tested despite its proximity to multimillion ounce dis-

coveries,” said managing director Jason Stirbinskis.

Stirbinskis, with a BSc in geology and more than 25 years' gold and base metals experience, including more than ten leading private and public companies, was brought in to lead the company at the tail end of 2017, to raise capital and prepare it for its public debut.

The project's location screams discovery potential, located at the junction between the highly prospective Middle Cauca porphyry gold belt and the Choco porphyry copper belt. Some 40Moz Au have been discovered within 30km of Andes' concessions with major discoveries made to every point on the compass such as Buritica to the northwest, Nuevo Chaquiro to the east and Marmato to the south.

“The opportunity presented in the Andes portfolio is quite incredible,” Stirbinskis added. “The fact that we have secured a cohesive package of strategically significant titles in prime gold and copper-gold real estate is impressive in itself and not something that could be repeated now given the increased popularity of the region for explorers

and global miners. Add to that the extensive preliminary work identifying multiple drill targets, the mature target pipeline and the enormous blue sky of areas we are yet to map,” he said.

Importantly, the area is just 65km southwest of Medellin—a two- or three-hour drive—with excellent road access, power and other infrastructure, and will benefit from the government's 4G highway programme that will see the current paved road that runs past the project upgraded to a highway.

Exploration

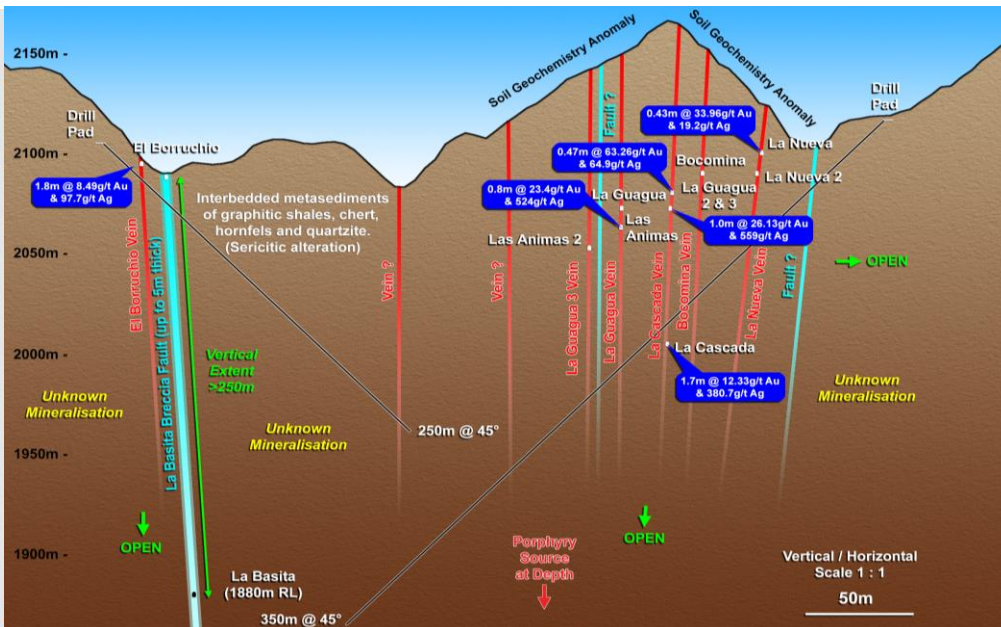
Exploration to date includes 14,000 surface samples, which, when combined with other data has identified five mineralised corridors thus far with over 40km of combined strike and multiple anomalous zones. Within this, Andes has identified twelve separate epithermal gold targets including two drill ready targets at San Pablo and El Columpio, plus the Gibraltar copper-gold porphyry target just 22km south of Nuevo Chaquiro that boasts 30Moz AuEq. It has taken vein samples up to 1.5m @ 33.3g/t Au, rock float 6.4g/t Au & 1,682g/t Ag and 91.4g/t Au and soil samples up to 303g/t Au & 579g/t Ag, but more interestingly, some 2% of its substantial 14,000 soils database are assays greater than 1g/t Au.

El Columpio is the first drill target, with a 48-hectare exploitation title where numerous sub-vertical epithermal sheeted veins have been identified in metasediments within a 350m structural corridor. More than 500m strike and greater than 250m vertical extent has been defined thus far and the potential for increases in extent exists in all directions. The veins identified to date have been mapped ranging in width from 0.5m to 7m.

Andes has planned a 2,500m maiden drill programme (subject to financing) that will assess vein density, identify splays, test depth, strike continuity, as well as vertical and strike extensions

Access to El Columpio





of veins worked by artisanal miners. The programme will also test significant gold-in-soil anomalies unrelated to known workings which may represent additional epithermal veins or inter vein stockworks.

“Whilst we have great confidence that our drilling programme will intercept the established veins at El Columpio, what we are more interested in is what we find between those veins and how many more veins we will encounter that we haven’t noted in outcrop or old workings, and what that will reveal about regional structures,” commented Stirbinskis. “It is the vein density discovered by Continental Gold’s early drilling at Buritica that ultimately elevated Buritica to its globally significant tier one status. Andes’ first drill programme will go part of the way to assessing the vein density at its first drill target at El Columpio,” he added.

The second drill target for Andes is San Pablo, which is possibly a southern expression of the same mineralised corridor hosting El Columpio just 1.1km away, and that has multiple veins traced for up to 1.2km along strike and vertically for 700m. Two major veins in the San Pablo valley can be traced for +650m. Some veins are up to 6m wide and potentially 3km long, and artisanal miners report average grades of 10g/t Au. A soil sampling programme of 289 samples between this area and El Columpio returned 10% of assays greater than 1g/t Au, with a peak value of 6.9g/t Au suggesting San Pablo mineralisation extends

northward to El Columpio thus potentially defining a very significant mineralised system.

“The San Pablo/El Columpio corridor is just one of five corridors we have defined in our portfolio thus far. The potential of sheeted vein systems in the region can be seen by Continental Gold’s Buritica deposit that currently has over 10Moz of resources and is in mine development,” said Stirbinskis.

That potential convinced Australia’s Treadstone Resource Partners to come on board in February this year with a strategic placement into the company equating to a 5% stake. And with interest in the gold sector picking up and starting to run through to exploration, Andes’ timing could be perfect.

“A number of strategically significant events late in 2017 has primed the company for substantial activity in 2018 and were the catalysts to seek material funding beyond our current 48 shareholders,” said Stirbinskis. “Our first drilling programme is expected to add weight to our extensive surface database and on the back of those drill results, the company will consider its funding pathway which could involve an ASX/TSX listing later in the year,” he added.

The experienced Andes board is chaired by Ross Ashton—founding MD of Red Back Mining—and includes geologist Simon Brown who is resident in Medellin and a founding director of Andes Resources. **CGL**

Cross section of El Columpio

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MANAGING DIRECTOR

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AT A GLANCE

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QUOTED SHARES ON ISSUE
41.7 million

MAJOR SHAREHOLDERS

Directors 47%, Treadstone 5%