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The La Gitana gold and silver project in Oaxaca, Mexico. INOMIN MINES

## Inomin Mines acquires La Gitana and Pena Blanca in Mexico

BY CARL A. WILLIAMS  
cwilliams@northernminer.com

**I**nomin Mines (TSXV: MINE) has announced an agreement to acquire **Gunpoint Exploration's** (TSXV: GUN) La Gitana and Pena Blanca gold-silver properties, located 100 km east of Oaxaca City, Mexico.

Under the agreement, Inomin will acquire a 100% interest in the properties in exchange for 1 million common shares of the company, \$25,000 in cash, and a 1.5% net smelter return royalty (NSR) payable to Gunpoint on the Pena Blanca property, with an option for Inomin to buy back

0.5% of the NSR for \$1 million. There is an existing 3% NSR on La Gitana, which Inomin will assume after the acquisition is completed.

The projects are located in the Oaxaca Gold-Silver Belt. This major northwest-trending regional structure hosts several precious metals mines and prospects, including **Gold Resource's** (NYSE: GORO) Arista and Mirador gold-silver mines and **Fortuna Silver Mines'** (TSX: FVI; NYSE: FSM) San Jose gold-silver mine.

"We were looking for an advanced gold and silver asset for quite some time," John Gomez, Inomin's president and CEO, said in an interview. "We were thrilled to pick up La Gitana and Pena Blanca under such favourable terms and where

Chesapeake, the previous owners, had spent considerable money to define the mineralization."

Previous exploration by **Chesapeake Gold** (TSX: CKG; US-OTC: CHPGF) at La Gitana, he added, included a 38-hole drill campaign at the Cerro Di Oro target area that defined an epithermal, gold-silver mineralized zone measuring 500 metres long, 300 metres wide, and 50 metres to 300 metres deep.

The drill campaign highlights include drill hole DH-01, which intersected 134 metres grading 1.78 grams gold per tonne and 100.7 grams silver per tonne starting from 21 metres downhole.

"I was very impressed by the intersections from the drilling program, which appeared to have

## INOMIN MINES ACQUIRES LA GITANA AND PENA BLANCA IN MEXICO, continued



The Pena Blanca gold and silver project, located about 15 km northwest of La Gitana in Oaxaca.

INOMIN MINES.

defined a near-surface gold and silver mineralized body," Gomez said. "We are looking forward to exploring untested areas to expand the high-grade gold-silver zone already delineated by the drilling."

The mineralization, he added, is open along strike and at depth and appears open laterally, with undrilled surface veins to the east and an untested overburden covered area to the west.

The Pena Blanca property, located about 15 km northwest of La Gitana, is a large tonnage, epithermal gold-silver prospect discovered by

Chesapeake in 2005. The project covers a 9-sq.-km hydrothermal alteration, of which around 1 sq. km has been mapped and sampled.

"The Pena Blanca prospect is geologically similar to La Gitana with a larger exposed alteration area, indicative of a major gold-silver system," Gomez said.

Geochemical assays obtained by Chesapeake from a 300-metre by 1,000-metre soil sample grid showed a broad, north-northwest trending gold anomaly with values over 0.2 gram gold per tonne extending across the entire length of the grid.

A stronger anomaly that returned over 0.5 gram gold per tonne was also observed across a 200-metre by 400-metre area to the northwest of

the grid, with soil geochemistry data indicating that the mineralization has a strong northwest component and extends for more than a 1 km along strike, Gomez said.

Channel and rock samples collected by Chesapeake from outcrops and hand-dug trenches in a 200-metre by 300-metre area, located at the northwest end of the soil sample grid, showed high-grade structures and widespread low-grade mineralization.

Gomez noted that one outcrop located further southwest returned 24 metres grading 2.26 grams gold and 178 grams silver from a partially exposed northeast trending quartz stockwork system.

The mineralization, he added, is associated with a swarm of northwest-trending, sub-parallel quartz veins, 1 metre to 5 metres thick, and partially exposed for more than 500 metres along strike.

The company has also recently announced plans to raise \$400,000 in a non-brokered private placement of around 5.3 million shares at 7.5¢ per share.

"A proportion of these proceeds will be used for general working capital and to establish ourselves in Oaxaca," Gomez said.

At press time in Toronto, Inomin was trading at 15¢ per share within a 52-week trading range of 3¢ and 25¢.

The company has 16 million shares outstanding for a \$2.5-million market capitalization. **TMM**