

# Murchison Minerals Ltd.

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## Murchison Minerals: High-grade base metals in focus

Base metals are once again the place to be in the mineral exploration space, and Murchison Minerals Ltd. (CSE:MUR) has zinc, copper and nickel well covered with projects in Saskatchewan and Quebec. Its Brabant-McKenzie project has a NI 43-101 resource of 1.5mln tonnes indicated at 7.46% zinc and 0.7% copper, plus another 4.5mln tonnes inferred at 5.99% zinc and 0.62% copper.

Murchison Chief Executive Officer Kent Pearson spoke with Proactive Investors recently and clearly Brabant-McKenzie is everything he had hoped for and more. Drill results to date include 12.12% zinc, 0.97% copper and 39.20 grams per tonne silver over 11.40 metres and additional targets are popping up that bring with them the potential to discover new deposits within project boundaries.

**Whilst you have some gold in the mix, base metals seem to be the focus for Murchison Minerals. Tell us why you chose base metals for the company, and how have you gone about building a project portfolio to match this vision?**

The main base metal asset was already in place when I joined. I was introduced to this project and was interested in it because it is a VMS (Volcanogenic Massive Sulphide) deposit, and I have some VMS in my background experience.

Brabant-McKenzie is far and away the most advanced project we have within Murchison. When we looked at all the assets in the portfolio, this base metals asset was the clear choice for deploying our corporate resources.

**Your Brabant-McKenzie project in Saskatchewan has a 43-101 compliant resource based on some very nice grades. What has you most excited about the project so far, and what can investors look forward to over the next 6-12 months?**

The project has not really been sized. It has been known for 60 years and it has been picked at over that period. It really was not until the mid-2000s when Manicouagan Minerals picked it up that someone started working towards building something there. They came up with the first 43-101 resource estimate, and when I looked at the project it reminded me of a similar one I had worked on in the Dominican Republic.

First and foremost, the grade was attractive, and also the indicated resource, which is really the money grade at this point. We looked at the inferred numbers and felt that based on the drilling it probably hadn't captured everything the project offered. We just thought it hadn't been sized the way it needed to be and that there was probably more on the main deposit than was already there. Our thought was that we are not going to drill "press-release" holes but go in and really try to build it out, and it is either there or it is not.

Last year's program, and this year's as well, is based on that. Last year's program was a success, as we ended up adding tonnage from our drilling, not a rework of the 43-101. We also think we demonstrated that the project still has

### Share Information

**Code:** MUR

**Listing:** CSE

**Sector:** General Mining

**Website:** [www.murchisonminerals.com](http://www.murchisonminerals.com)

### Company Synopsis:

*Murchison Minerals Ltd. is a Canadian public company focused on the exploration and development of distinctive mineral properties in Canada. Through a diverse portfolio, Murchison has exposure to zinc, nickel, copper as well as precious and platinum group metals.*

### Author:

**Proactive Investors Australia**

**+61 (0)2 9280 0700**

**[action@proactiveinvestors.com.au](mailto:action@proactiveinvestors.com.au)**

room to grow.

In addition to that we have a large land package and there are lots of known mineralised showings up and down the property, based both on government work and some of the prospecting we did last summer. We started homing in on geophysical anomalies and worked up drill targets. We are drilling two significant targets in this campaign and have identified another target further south.

There are other geophysical targets we've identified, a couple that really jumped out. We have a trend of 4 kilometres of strike we are going to run a major ground survey on to try to define it. These are airborne survey results and we'd like to get closer to see what is really there.

In terms of potential upside, the whole land package is generally underexplored and we have tried to hit it hard and prove there could be more here than what has been thought of in the past. The results we've got have surprised us in a pleasant way and we have been able to expand the project beyond the main deposit.

**HPM in Quebec is not as advanced as Brabant-McKenzie but is still very interesting. Walk us through the highlights to date and near-term plans for HPM.**

That project was brought in through Manicouagan Minerals. I should point out that Murchison Minerals is the result of a reverse takeover between Manicouagan Minerals and a private company called Flemish Gold. Manicouagan had both Brabant-Mackenzie and HPM in its portfolio.

HPM was a Falconbridge discovery. It is similar to Brabant-Mackenzie in a way in that companies have picked at it but not done a full-on holistic program from what we can tell. The appeal here too is the grade. The grade's being intercepted in terms of nickel are high.

The idea with HPM is to do what we did at Brabant-Mackenzie: work up a desktop study with some ground-truthing initial field work. And from there to develop a full-on exploration program and go back in.

We have been so busy with Brabant-Mackenzie that HPM has kind of been on hold. We have a small program designed and may try to get in there this summer, depending how things go at Brabant. It is inexpensive and we have a team in Quebec ready to go to work on it, so if we get the opportunity we will be in there.

And really, both properties reflect our focus, which is to be involved in projects that look like they will be fairly robust if we experience a down commodity market.

**What insight into the markets for zinc, nickel or copper do you have from your industry connections and own analysis?**

We pay attention to metals prices but I don't spend time analysing the markets. I was in London in the fall and went to a presentation by CRU and their outlook for zinc is quite positive. What I understand is that the lack of actual zinc metal is bottlenecking things and this is being reflected in zinc prices as a consequence.

They also see a big bull run for copper out to 2022 or something, at prices where they are now or higher.

Nickel they were bullish on, and cobalt was a big deal because of the electric car and battery revolutions.

But for our company we are just feeling good about the bullish outlooks for zinc and copper. The robust prices certainly help us in the market and keep us as an attractive company because we are in the right commodity spaces. It has been part of the reason we have been able to get some financing done through some volatile times in the market.

**Do you sense a change over the past six months in market tone and willingness to back mineral exploration?**

You know where we are really noticing it is the availability of service companies. We have a couple of groups that have

put us in their portfolio of companies that they will stick with, so we have been fairly lucky. For example, Hy-Tech Drilling is doing the drilling on Brabant-Mackenzie. Hy-Tech seems to have put us in their A-list of projects they want to keep working with. I think one of the reasons is Brabant-Mackenzie is well situated in all ways in terms of infrastructure. We are about six hours from Saskatoon and it is an easy drive. La Ronge is a two-hour drive if we need something.

The community is really supportive and that is so heartening. We are trying to develop something for the community and we hope to leave something for them that will be a benefit.

As for financings, I know people were working around the clock trying to get deals closed before the end of the year.

### **Any closing thoughts on the outlook for the company, the metals markets or financial markets as pertains to Murchison?**

Our focus is to get Brabant-Mackenzie de-risked as much as possible. I'd love to get it to the point at which we can start to wrap economics around the deposit. We would also like to identify additional potential deposits within the area. Government geologists and industry people believe there is more here than has been acknowledged in the past.

It is interesting because we sit in a geological belt that wraps to the east and towards Snow Lake and then down to around Flin Flon. And there are multiple mines that have been found in the Manitoba side of the belt, but when you cross the border into Saskatchewan we are the only deposit that has been identified in this area. I think the overriding sentiment is that nobody has spent time looking up here.

We have a very robust deposit here in terms of grade and think it still has good expansion potential. We estimate the exploration potential for tonnage is between 9 million tonnes and 11 million tonnes based on our current geological model. There is excellent infrastructure, with a highway running right past us and power lines running past in the event of a production scenario, community support, and lots of water and access to service companies. What we need is the deposit - everything else is here.

In terms of exploration potential, we are generating good targets on the property. Just over a year ago the only thing we knew about this property was Brabant-Mackenzie deposit. Now we have generated four more targets of which three are additional drill targets now. It seems every time we turn around there is another target. We are aggressively trying to move this forward, not by playing the market based on one or two holes right beside another hole. We want to try and really build something here.

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Contact us +61 (0)2 9280 0700 [action@proactiveinvestors.com.au](mailto:action@proactiveinvestors.com.au)

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