

Mundoro provides second quarter exploration programs update and financial highlights on its Serbia prospects

Categories : [Mining](#)

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“Mundoro” announces filing unaudited consolidated financial statements and Management’s Discussion and Analysis on SEDAR at www.sedar.com and posting on the Company’s website at www.mundoro.com. All amounts are in Canadian dollars unless otherwise stated.

Highlights for Q2-2019

Financial Update

-Partner funded exploration costs totaled \$0.4 million and operator fees earned totaled \$0.03 million. Mundoro funded exploration costs for generative programs totalled \$0.2 million.

-Corporate expenses totaled \$0.2 million, which includes \$0.08 million in corporate governance, \$0.03 million in administrative costs, and \$0.07 million in corporate communication, and \$0.05 million in accounting and audit.

-Total cash used in operations before changes in non-cash working capital was \$0.5 million. Changes in non-cash working capital items totaled \$0.2 million, of which a significant component was cash advances of \$0.3 million received from earn-in partners.

-Working capital at June 30, 2019 was \$2.0 million with cash comprising \$2.6 million. The Company has no debt.

EXPLORATION PROGRAMS UPDATE

JOGMEC-Mundoro Project in Serbia

On May 1, 2019, the Company announced it had been notified by Japan Oil, Gas and Metals National Corporation (“JOGMEC”), on the Borsko-Jezero (“Borkso”) license of its decision to undertake the Stage Two Earn-In on the Borsko license under the Earn-In Agreement between Mundoro and JOGMEC (see Mundoro’s press release dated May 1, 2019, at www.mundoro.com). Mundoro has been re-appointed as the Operator for the JOGMEC-Mundoro Project and will receive an operator fee for operating the program. The Year 1 exploration program for the Stage Two Earn-In at Borsko commenced in May 2019 and will focus on completing further geophysics consisting of a gravity survey over the remainder of the Borsko license and further drill testing in the second half of 2019.

Borsko

-Work completed to date at Borsko identified a CSAMT geophysical anomaly over 1.6 km in areal extent which has been partially tested. Drilling has identified that this CSAMT geophysical anomaly appears to be related to advanced argillic alteration (“lithocap”) under cover.

-The lithocap contains elevated copper-gold-arsenic values indicative of high sulphidation type mineralization, while weak potassic alteration was identified at the bottom of the lithocap suggesting a porphyry source beyond the immediate area drill tested to date.

-The drill tested hydrothermal alteration system extends 400 m by 800 m with a thickness of 500+ meters and remains open primarily towards the north, west and south.

-Approximately 2,000 m to the south drilling identified a heavily faulted zone of pyrite-bearing chlorite-smectite-kaolinite alteration in drill hole 18-BJ-19, indicating a possible periphery of another Borsko-type lithocap.

-Next steps: Upon completion of the gravity survey in August 2019, the Company is preparing for further drilling to be commenced in September 2019 and completion by the end of 2019.

Freeport-Mundoro Projects in Serbia

The first year 1 under Phase I commenced in October 2018 and included: a drill program of 4778 m of diamond drilling in seven drill holes, which tested four target areas discussed below. The exploration activity for Q2 2019 focused on completing alteration mapping and initiating geophysics. Data interpretation and potentially further drill testing of targets are planned in the second half of 2019. Highlights from the results of this program reported in Q2-2019 are as follows:

Tilva Rosh (Savinac License)

-This target is a large area of 2.5 km by 1 km of advanced argillic alteration containing epithermal gold mineralization cropping out at surface as observed through trench sampling by Mundoro in 2013 which returned 12 m of 30 g/t gold and 171 g/t silver. Interpretation of drill results suggests the epithermal mineralization is proximal to a copper-gold porphyry system.

-Drill hole FMSC18006, was collared near this surface gold mineralisation and orientated to drill through the mineralisation. Final depth of drill hole reached 1154.9 m.

-The drill hole intersected an interval for 263 m of fragmental volcanics from 190 m that displayed patchy kaolinite texture with banded quartz-magnetite-specularite veins, which is suggestive of proximal porphyry source mineralization. A fault zone containing vuggy silica, massive pyrite, barite and patches of sphalerite crosscut the fragmental volcanic and returned an interval of 3 m of 0.18% Cu and 3.22 g/t Au.

-At depth, the drill hole intersected diorite dykes that contain traces of chalcopyrite mineralization indicating relation to a porphyry source.

-Patchy texture, with dickite and pyrophyllite was also observed and mapped on surface 300 meters to the north of drill hole FMSC18006 and remains a compelling target for future testing.

-Next steps: Targeting will continue with IP-Resistivity and CSAMT/NSAMT geophysics after which further drilling can be planned.

Markov Kamen (Savinac License)

-This area is another epithermal target identified by several copper-gold-in-soil geochemical anomalies related to 4 km by 1.2 km zone of argillic and advanced argillic alteration. It is located 2 km south of the Tilva Rosh target. One hole drilled in 2015 at Markov Kamen intersected hydrothermal breccia, massive sulphides and vuggy silica, suggesting high-sulphidation type epithermal mineralisation controlled by northwest structures.

-Drill hole FMSC18005 was collared at the central portion of the Markov Kamen advanced argillic zone and was drilled sub vertical into a magnetic low anomaly to a depth of 1269.1 m. Drill hole intersected dominantly advanced argillic alteration determined by the presence of strong and pervasive silica intervals and hydrothermal breccias with anomalous gold grades. The advanced argillic zone remains open down plunge to the south and west beyond the vertical depth of 1200 m, where the drill hole was terminated due to the drill rig capacity.

-Next steps: Targeting will continue with alteration mapping, IP-Resistivity and CSAMT/NSAMT geophysics after which further drilling can be planned.

Prekostenski (Bacevica License)

-This area is a copper-gold porphyry target identified from geochemical analysis surface sampling which resulted in 55 m of 0.28 g/t gold and 0.21 % copper located in the western portion of the Bacevica license. The exploration work identified chalcopyrite-magnetite mineralisation hosted by potassic altered diorite.

-Next steps: Detailed mapping, CSAMT/NSAMT and IP-Resistivity geophysics are planned in order to better define the lateral and vertical extension of the mineralised porphyry.

Orlovo Brdo (Bacevica License)

-This target is a broad zone of phyllic alteration of 3 km by 700 m with gold and copper anomalism located at the central portion of Bacevica license.

-Next steps: Detail mapping, CSAMT/NSAMT and IP-Resistivity geophysics are planned in order to better define the lateral and vertical extension of the mineralised porphyry.

MUNDORO Generative Programs in Serbia

The Company has an ongoing target generation program where we evaluate both existing and new target areas. Several target areas in Serbia are currently under review. The

Company has made a number of applications in 2019 for further exploration areas.

Source: mundoro.com