



Benz Mining raises C\$10m to drive Eastmain exploration

Mining

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Benz Mining (ASX:BNZ) is cashed-up to progress exploration at its Eastmain gold project in Quebec, Canada, after raising C\$10m through a private placement of shares priced a C\$1.10 each.

This represents an 80% premium to the last closing price of Benz's shares on the TSX Venture Exchange of C\$0.61 on 27 August, as they were issued as Canadian charity flow-through shares.

These are ordinary shares issued to investors with a written agreement where the company agrees to renounce tax losses associated with mining expenditure to the investor, allowing the investor to deduct the amount renounced as a loss under Canadian income tax laws.

As such, Benz has issued the shares to its investors at a higher price and will use the funds for exploration by 31 December 2022, allowing investors to renounce such expenditures effective 31 December 2021.

Eastmain project

The 220sqkm Eastmain project is located within an underexplored gold district in the heart of Quebec and includes 45km strike of Archean greenstone belt with high-grade gold – including intercepts of up to 13.2m grading 53 grams per tonne (g/t) gold – spread over 10km of strike.

It includes the historical Eastmain gold mine where 118,000 tonnes of ore grading 10.5g/t gold was mined in 1994-1995 with greater than 95% recovery.

The project currently hosts a resource of 376,000oz of contained gold at an average grade of 7.9g/t that is associated with 15-20% semi-massive to massive pyrrhotite, pyrite and chalcopyrite making it amenable to detection by electromagnetics.

Previous explorers had already identified several gold mineralisation occurrences over a 10km zone along strike from the Eastmain mine though very little testing has been carried out beyond the existing resource area.

Benz is keen to capitalise on the use of electromagnetics to find high-grade gold, particularly since previous drilling was based off geological analysis rather than geophysics.

It plans to target wide, high-grade lodes that are open at depth by using down-hole electromagnetics prior to drilling extensions to minimise drill costs.

That's not to say that the company will sting on drilling.

While over 115,000m of drilling has been carried out in past 40 years, Benz is on track to complete 50,000m of its own drilling this year to scout for extensions to the whole system.

Its efforts have already discovered two new gold trends above and below the existing Mine horizon.

More than gold

There is also potential for the Eastmain project to host more than just gold.

Benz Mining's summer regional exploration campaign has uncovered outcropping lithium spodumene-bearing pegmatite at Ruby Hill West while outcropping copper-gold mineralisation in the Placer Lake Area has been found to be coincident with newly defined fixed-loop electromagnetic conductors.

The top rock chip sample assay from the pegmatite were 4.72% lithium oxide and 1,720 parts per million rubidium historical sampling of the copper-gold mineralisation had returned up to 2.7% copper and 8.2g/t gold.

Chief executive officer Xavier Braud noted in late August that the Upper Eastmain Greenstone Belt was roughly analogous to the Agnew to Wiluna Greenstone Belt.

And it's only in the last five years when a road has been available to provide year-round, all-weather access to the former.

This is exciting as the Agnew to Wiluna Greenstone Belt hosts Liontown Resources' (ASX:LTR) Kathleen Valley lithium deposit.

Source: <https://stockhead.com.au/resources/benz-mining-raises-c10m-to-drive-eastmain-exploration/>