



## Augustine Announces Red Pine Exploration Release of Updated NI 43-101 Resource Estimate

### NEWS RELEASE

June 11, 2015

Toronto, Ontario – Augustine Ventures Inc. (CSE: WAW) (“Augustine”) entered into an assignment and assumption agreement with Red Pine Exploration Inc. (TSX-V: RPX) (“Red Pine”) and Citabar Limited Partnership (“Citabar”) effective December 11, 2014 (the “Assumption Agreement”) pursuant to which the parties agreed to amend the Surluga Property Option Agreement (“Option Agreement”) to earn an interest in the Wawa Gold Project. (see news release of December 11, 2014).

Red Pine has released an updated NI 43-101 Resource Estimate based on its exploration work on the Wawa Gold Project (which includes the Surluga Gold Deposit) in a news release of June 11, 2015. The pertinent information contained in the news release from Red Pine is copied below (*in italics*):

#### **HIGHLIGHTS INCLUDE:**

- ***Improved Inferred Resource at the Surluga Deposit with a 14.7% increase in gold grade and 1.5% increase in gold contained in less tonnes of ore:***
  - ***1,088,000 ounces at 1.71 grams per tonne (“g/t”) gold contained in 19.824 million tonnes (using an average 0.5 g/t gold cut off grade)***
- ***Pit-constrained inferred resources of 676,000 ounces at 2.05 g/t gold and outside pit-constrained inferred resources of 298,000 at 1.07 g/t Au for all gold zones located between surface and 300 meters vertical depth (using a 0.4 g/t gold cut-off grade)***
- ***High-grade Underground Constrained Inferred Resource:***
  - ***114,000 ounces gold at 3.73 g/t gold (using a 2.5 g/t gold cut-off grade)***
- ***89.5% of the resource is located between surface and 300 m vertical depth.***
- ***The Surluga deposit contains discrete zones of higher-grade gold mineralisation that have a strong control on the spatial distribution of the gold.***
- ***The Ronacher McKenzie-SRK report states: "Further, there is gold mineralization in the hanging wall and footwall secondary structures, but its geometry remains poorly constrained". This indicates that the contained gold of the pit-constrained resource can be increased by defining (drilling and logging of historic core) the gold zones in the hanging wall and footwall of the Surluga***



**Deposit. This can significantly improve the current Surluga resource and its economic potential.**

The updated inferred resource estimate for the Surluga Deposit (Table 1), was based on the 2007 historical boreholes (126,067 meters) and the 26 boreholes (5,594 meters) drilled by Red Pine Exploration in 2014 and 2015. The mineral resource estimate was prepared by Sébastien Bernier (P.Geol.) of SRK. Mr. Bernier is the qualified person as defined by NI 43-101 and is independent of Red Pine.

**Table 1. Mineral Resource Statement\*, Surluga-Jubilee Gold Deposit, Wawa Gold Project, Ontario, SRK Consulting (Canada) Inc (effective May 26, 2015)**

Resource Category	Cut-off Gold (g/t)	Quantity ('000 t)	Grade Gold (g/t)	Contained Metal Gold ('000 oz)
<b>Inferred**</b>				
Pit-Constrained	0.40	10,239	2.05	676
Outside Pit-constrained	0.40	8,630	1.07	298
Underground	2.50	955	3.73	114
<b>Total</b>	<b>0.50</b>	<b>19,824</b>	<b>1.71</b>	<b>1,088</b>

\* Mineral resources are not mineral reserves and have not demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. Composites have been capped where appropriate.

\*\* Open pit mineral resources are reported at a cut-off grade of 0.40 g/t gold in relation with a conceptual pit shell constructed by SRK. Underground mineral resources include classified modelled blocks below the conceptual pit shell and above a cut-off grade of 2.50 g/t gold. Cut-off grades are based on a gold price of US\$1,250 per ounce and a gold recovery of 95 percent.

The Updated Resource Estimate for the Surluga Deposit shows a marked improvement in the grade and quality of the inferred resource from the previous resource estimate as well as an improvement of the total contained gold (Augustine Ventures news release November 28th, 2012).

At a 0.4 g/t gold cut-off Pit-constrained and 2.5 g/t gold cut-off for underground-constrained resource blocks, the Surluga Deposit contains an overall inferred gold resource of 1,088,000 ounces of gold at 1.71 g/t gold. The Pit-constrained resource is based on an optimized Whittle pit shell that extends to a maximum vertical depth of approximately 300 metres and are reported at a 0.4 g/t gold cut-off. The optimized pit shell contain an inferred resource of 676,000 ounces of gold at 2.05 g/t gold associated with an inferred resource of 298,000 ounces of gold at 1.07 g/t gold defined outside the limits of the Whittle optimized pit shell but shallower than 300 metre vertical depth. The Underground-constrained resource includes all the gold zones of the Surluga Deposit deeper than 300 meters vertical depth. Reported at a 2.5 g/t gold cut-off, the Underground-constrained resource contains an inferred resource of 114,000 ounces of gold at 3.73 g/t gold.



Quentin Yarie, President and Chief Operating Officer commented, "The updated resource report substantiates our belief that the Surluga Deposit has upside potential. We now have a better understanding of the deposit's characteristics and have also gained considerable insight into the surrounding geology. We firmly believe the Wawa Gold Project has the potential to be a significant gold camp and will focus on conducting work which will lead to further resource improvements both within the current deposit as well as identified gold zones outside the Surluga deposit area.

### **Resource estimate comparison (previous vs. current) and confirmation of high-grade gold zones in the Surluga Deposit**

The marked increase of the overall grade of the Surluga deposit reflects a better understanding of the geological controls on the distribution of the higher grade gold zones. Using SRK's assumptions and partitioning the resource into two distinct zones, the total contained gold of the inferred resource was increased from 1.072 million ounces (0.5 g/t cut-off; Watts, Griffis and McQuat, Amended 43-101 report, October 15, 2012) to 1.088 million ounces, representing a 1.5% addition in total gold content. However, as the historical resource was not constrained by pit and underground zones, the sensitivity analysis<sup>11</sup> of the current resource compares more directly to the historical inferred resource of the Surluga Deposit. At similar cut-off of 0.5 g/t gold, the in-situ gold content and the grade substantially increased when compared to the historical resource, from 1.072 million ounces at 1.49 g/t gold initially to 1.254 million ounces at 1.65 g/t gold, representing a 17% increase in the total ounces and a 10.7% increase in the gold grade. At a 2 g/t cut-off, the sensitivity analysis shows a marked increase of the size of the higher grade gold zones of the Surluga Deposit, from 0.498 million ounces at 3.33 g/t gold initially to 0.736 million ounces at 3.5 g/t gold in the current resource, representing a 48% increase in total gold content and a 5% increase in gold grade in the higher grade zones. The marked increase in the size and grade of the higher grade gold zones of the deposit suggests the potential to find extensions of the higher grade gold mineralization. Extending these high-grade gold zones, with local true thickness of over 20 meters, would substantially improve the economic potential of the Surluga deposit. The high-grade zones identified in the Surluga deposit remain open at depth.

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<sup>1</sup> The reader is cautioned that the figures presented in this table should not be misconstrued as a Mineral Resource Statement. The reported quantities and grades are only presented as a sensitivity of the deposit model to the selection of cut-off grade.



**Table 2 Cut-off grade sensitivity analysis – Surluga Deposit\*\*\***

Cut-Off Grade Gold (g/t)	Location	Tonnage ('000 tonnes)	Gold (g/t)	Contained Ounces ('000 oz)	Historical ('000 tonnes)	Historical gold (g/t)	Historical ('000 oz)	Change gold (g/t)	% change (grade)	Change ('000 oz)	% change (ounces)
0.5	Pit-constrained	9,162	2.24	660							
	Outside Pit-constrained	6,867	1.24	273							
	Underground	7,623	1.31	322							
	<b>Total</b>	<b>23,652</b>	<b>1.65</b>	<b>1,254</b>	<b>22,355</b>	<b>1.49</b>	<b>1072</b>	<b>0.16</b>	<b>10.7%</b>	<b>182.34</b>	<b>17%</b>
1	Pit-constrained	6,795	2.78	607							
	Outside Pit-constrained	2,604	2.12	177							
	Underground	3,014	2.34	227							
	<b>Total</b>	<b>12,414</b>	<b>2.53</b>	<b>1,011</b>	<b>12,503</b>	<b>2.11</b>	<b>847</b>	<b>0.42</b>	<b>20.0%</b>	<b>163.56</b>	<b>19%</b>
2	Pit-constrained	3,890	3.73	467							
	Outside Pit-constrained	1,001	3.22	104							
	Underground	1,658	3.11	166							
	<b>Total</b>	<b>6,549</b>	<b>3.50</b>	<b>736</b>	<b>4,651</b>	<b>3.33</b>	<b>498</b>	<b>0.17</b>	<b>5.0%</b>	<b>238.14</b>	<b>48%</b>
5	Pit-constrained	636	7.29	149							
	Outside Pit-constrained	93	7.18	21							
	Underground	128	8.00	33							
	<b>Total</b>	<b>857</b>	<b>7.38</b>	<b>203</b>	<b>378</b>	<b>7.69</b>	<b>94</b>	<b>-0.31</b>	<b>-4.0%</b>	<b>109.49</b>	<b>116%</b>

\*\*\*The reader is cautioned that the figures presented in this table should not be misconstrued as a Mineral Resource Statement. The reported quantities and grades are only presented as a sensitivity of the deposit model to the selection of cut-off grade.

### **Substantial up-side potential also exists in the hanging wall and footwall of the Surluga deposit**

The mineral resource estimation presented in the resource statement is limited to the Jubilee Shear zone. The Ronacher McKenzie-SRK report states, "...there is gold mineralization in the hanging wall and footwall secondary structures, but its geometry remains poorly constrained". As a result, this mineralization has not been included in the updated resource statement. Figures 1 and 2 show the many gold intersections outside the main resource shell that are not included in the current resource statement such the Hornblende shear zone located 300 metres from the Jubilee shear zone, the Minto shear/vein systems located in the hanging wall of the Surluga deposit as well as many gold-mineralized shear systems and tensional vein sets.

Examples of historic and recent drill intersections in the hanging wall and footwall of the Surluga deposit which are not included in the current resource statement include:

#### **Hanging Wall**

- 2 metres @ 13.65 g/t gold (Minto shear system – SD-15-07),
- 12.16 metres @ 3.39 g/t gold (Minto shear system – U1509L5),



- 2 metres @ 5.66 g/t gold (Minto shear system – SD-14-06), and
- 4.12 metres @ 3.32 g/t gold (Unnamed shear zone – S214).

**Footwall:**

- 1 metre @ 51.7 g/t gold (tension quartz veins – SD-15-11),
- 10.27 metres @ 3.01 g/t gold (Hornblende shear zone – U0007L7), and
- 9.85 metres @ 3.16 g/t gold (Hornblende shear zone – U1116L3).

**Summary**

*The updated technical report and revised resource estimate highlight many key features of the Surluga deposit:*

- *Better grade of the overall resources with an increase in size of the inferred resource;*
- *The sensitivity analysis, which provides a direct comparison with the historical resource at a 0.5 g/t cut-off, shows a 17% increase for the total gold content and a 10.7% increase in the grade for the gold zones of the Surluga Deposit;*
- *Better definition of the high-grade zones of the deposit that remain open at depth will most likely have a positive influence on the economics of the deposit; and*
- *Potential to significantly improve grade and economics of the Surluga Deposit through additional verification and subsequent inclusion of the many gold zones located in the hanging wall and footwall that have been excluded in the current resource statement.*

Notes to Resource Table on Page 1

1. *Tonnes and oz rounded to nearest thousand*
2. *Mineral resources which are not mineral reserves have not demonstrated eventual economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues, although the Company is not aware of any such issues.*
3. *The quantity and grade of reported Inferred Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them.*
4. *The mineral resources were estimated using the Canadian institute of Mining, metallurgy and Petroleum (CIM), CIM Standards on mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.*
5. *Resources have been estimated by SRK Consulting (Canada) Inc. This Press Release has been reviewed and approved by Elisabeth Ronacher, PhD, P.Ge. of Ronacher McKenzie Geoscience and Sébastien Bernier, P.Ge. of SRK Consulting (Canada) Inc., both Qualified Persons for the NI 43-101 Technical Report. The technical report for this resource estimate*



*will be filed on SEDAR by June 15, 2015. Please note that Mineral Resources which are not Mineral Reserves have not demonstrated eventual economic viability.*

### **Qualified Person**

*Quentin Yarie, PGe., is the qualified person responsible for preparing, supervising and approving the scientific and technical content of this news release and is responsible for overseeing all aspects of the company's exploration programs.*

### **Wawa Gold Project Highlights**

- Advantageous land position in an under-explored gold camp;
- Proximity to established regional infrastructure (roads, rail, airport, high voltage power lines, community services);
- Property hosted eight past producing mines with average grades of 8.9 grams per tonne gold;
- Inferred resource of 1,072,335 ounces at 1.49 grams per tonne gold contained in 22.355 million tonnes (Surluga Deposit), open along strike and at depth\*;
- Strike length continuity for some gold-bearing structures exceeding 2.5 kilometres with continuous gold mineralisation;
- Strong indications for stacking of gold-bearing shear zones and high-grade quartz veins in the footwall and hanging wall of the Surluga deposit (Jubilee shear zone)

Dr. Ed Walker, Senior Project Geologist for Augustine, states: “The improved mineral resource constraints on the characterization of the Surluga deposit and the increase in the grade and contained metal gold have further substantiated the potential for improving the extent of the Surluga deposit and the potential to develop a mineral resource in association with the other gold occurrences within the Wawa Gold Project”.

Dr. Robert (Bob) Dodds, President and Chief Executive Officer of Augustine, states “The geological teams from Augustine and Red Pine have done an outstanding job on advancing the gold resource on the Wawa Gold Project. Not only has Red Pine’s work markedly increased the quantity and quality of the gold resource, it has significantly increased the confidence that the resource can be increased within the pit constrained geometry as well laterally and at depth.

We are increasingly confident that the next stages of exploration can confirm our belief that we have a major resource in the Wawa Gold Project”

Any technical information in this new release presented by Augustine has been reviewed by Dr. Ed Walker, Ph.D., P. Geo, a Qualified Person as defined in NI 43-101.

### **About Augustine Ventures Inc.**

Augustine Ventures Inc. is a junior gold exploration company which has an option to earn up to a 75% interest on the Wawa Gold Project which encompasses 2,426 hectares in McMurray Township, southeast of the Town of Wawa, Ontario. Over 95 percent of the property consists of



leases and/or patents for both mineral and surface rights that are easily accessible. The property has a gold resource of 1.1 million ounces at 1.5 g/t hosted within 22 million tonnes<sup>1</sup> with known lateral extension and depth extension to 600 meters, a history of past production from the known vein deposits and a large number of untested but documented gold occurrences. Augustine has also acquired a 100% undivided interest in an additional 182 claim units known as the Oakley Lake Property totalling 2,912 hectares contiguous to its Wawa Gold Project.

<sup>1</sup>The Mineral Resource is disclosed in the NI 43-101 technical report titled "Amended Technical Review and Mineral Resource Estimate for the Jubilee-Surluga Property, near Wawa, Ontario, Canada for Augustine Ventures Inc." dated October 12, 2012 and prepared by Clifford J. Duke, P. Eng., Senior Associate Geological Engineer of Watts, Griffis and McOuat, Consulting Geologists and Engineers. The report is available on [www.SEDAR.com](http://www.SEDAR.com) under Augustine's profile.

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This news release may contain forward-looking statements. All statements, other than of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding the estimation of mineral resources, exploration results, potential mineralization, potential mineral resources and mineral reserves) are forward-looking statements. Forward-looking statements are often identifiable by the use of words such as "anticipate", "believe", "plan", "may", "could", "would", "might" or "will", "estimates", "expect", "intend", "budget", "scheduled", "forecasts" and similar expressions or variations (including negative variations) of such words and phrases. Forward-looking statements are subject to a number of risks and uncertainties, many of which differ materially from those discussed in the forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, without limitation, failure to establish estimated mineral resources, the possibility that future exploration results will not be consistent with the Company's expectations, the price of gold and other risks identified in the Company's most recent filings with Canadian securities regulatory authorities on SEDAR.com. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement.

