

Megumagold Corp.

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MegumaGold seeing positive signs of a potential disseminated gold deposit at Killag project

MegumaGold Corp (CSE:NSAU) (OTCMKTS:NSAUF) believes there is "significant potential" for new gold discoveries at its Killag project in Nova Scotia and has kicked off a geological study at the site.

The firm is pursuing a new approach to gold exploration in the Nova Scotia goldfields, which has been previously focused on high-grade, nuggety style gold.

READ: MegumaGold boosts its portfolio in Goldenville gold district by 85% with new claims

MegumaGold is more interested in exploiting the disseminated, widespread mineralization which is also present in the area, and the firm's 2019 drilling, the results of which will be integrated into this geological and gold distribution study, showed positive signs.

The long widths of anomalous gold found at Killag indicate that mineralization extends beyond the limits of traditionally known high-grade quartz veins and has been deposited at low levels in surrounding thick slate/argillite/greywacke packages comprising the host rock sequence, said Meguma.

This is referred to as the alteration halo concept, the firm explained.

Extensive alteration halo

"Recognition of the extensive alteration halo in argillite and greywacke rocks at Killag signifies an important step in developing an understanding of a potential disseminated gold deposit at Killag," said MegumaGold president Theo Van der Linde.

"We believe that the gold halo at Killag may be part of a larger alteration system having significant potential for new gold discoveries at the Killag property."

Van der Linde said he sees this as a "significant milestone in the Killag story".

"Historical gold production from some of the currently most prominent deposits of the Nova Scotia goldfields, including Touquoy, Fifteen Mile Stream and Beaver Dam, was from narrow, high grade quartz veins," he said.

"It wasn't until pervasive gold mineralization in the wall rock was discovered in such cases that their potential bulk tonnage was understood. At Killag we are now seeing significant widths of anomalous gold values within wall rock peripheral to the area of old mine workings that exploited narrow quartz veins.

"Based on experience elsewhere in the Nova Scotia goldfields, we believe that this is a positive development in evaluating the property's gold potential."

Price: 0.11

Market Cap: \$15 m

1 Year Share Price Graph



Share Information

Code: NSAU

Listing: CSE

52 week High Low
0.21 0.085

Sector: Materials

Website: www.megumagold.com

Company Synopsis:

MegumaGold Corp. , an exploration stage company, acquires, explores for, and develops natural resources properties primarily in the United States and Canada. It primarily holds a 100% interest in the White Caps gold project that includes 2,800 acres of patented and unpatented mining and mill site claims located in the Manhattan Mining District of Nevada. The company was formerly known as Coronet Metals Inc.

action@proactiveinvestors.com

MegumaGold has assembled a strategically-positioned land position of around 105,000 hectares within this promising geological domain.

Shares added 10% in Toronto to stand at C\$0.16 each.

---Updates for share price rise---

Contact the author at giles@proactiveinvestors.com

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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