

Genesis Metals Announces New Resource Estimate for Chevrier Gold Project, Quebec

Vancouver, British Columbia--(Newsfile Corp. - January 24, 2022) - **Genesis Metals Corp. (TSXV: GIS) ("Genesis" or the "Company")** today reports a new mineral resource estimate for the Main Zone and updates for the East and South Zones, classified as mineral inventories, at its Chevrier gold project near Chibougamau, Quebec. Highlights include:

MAIN ZONE PIT-CONSTRAINED RESOURCE - 0.30 g/t gold cut-off

- **Indicated Resource of 260,000 gold ounces** (6.4 Mt at an average grade of 1.26 g/t gold)
- **Inferred Resource of 420,000 gold ounces** (11.2 Mt at an average grade of 1.18 g/t gold)

MAIN ZONE UNDERGROUND RESOURCE - 1.0 g/t gold cut-off

- **Inferred Resource of 232,000 gold ounces** (4.46 Mt at an average grade of 1.62 g/t gold)

David Terry, CEO of Genesis commented "We are pleased that this new mineral resource estimate for Chevrier has a much larger pit-constrained component than the Company's 2019 resource. This has been achieved through a combination of 10,178 metres in 39 holes of additional drilling targeting and better defining higher-grade areas of the deposit, extensive re-modelling to optimize mineralized domains, as well as updating certain estimate assumptions."

Independent consultant Susan Lomas, P.Geo. of Lions Gate Geological Consulting Inc. ("LGGC") was commissioned to complete the mineral resource estimate and the Technical Report on behalf of Genesis. Ms. Lomas is supervising the overall preparation of the Technical Report, is a Qualified Person ("QP") as defined by NI 43-101 and is independent of Genesis.

The mineral resource statement for the Main Zone is presented in Table 1. Assumptions used to derive the optimized pit shells and additional underground mining costs are presented in Table 2. The mineral resources are stated at various gold cut-off grades in Table 3 for the Open Pit resources, and in Table 4 for the Underground resources.

Images depicting the new Main Zone mineral resource estimate are available for viewing on the Company's website [here](#).

The Company will be incorporating the new mineral resource estimate data and related recommendations into its future exploration planning for the Chevrier Project.

Table 1: Indicated Mineral Resource Statement for the Main Zone

Open Pit Indicated Mineral Resources - 0.3 g/t Gold Cut-off

Zone	Class	Tonnes	Au g/t	Au Oz
A	2	-	-	-
B	2	600,000	0.97	20,000
C	2	1,800,000	1.20	70,000
E	2	500,000	1.33	20,000
F	2	200,000	2.14	20,000
G	2	300,000	1.13	10,000
J	2	1,200,000	1.32	50,000
K	2	700,000	1.35	30,000
L	2	900,000	1.20	40,000

M	2	100,000	1.41	10,000
All	2	6,400,000	1.26	260,000

Open Pit Inferred Mineral Resources - 0.3 g/t Gold Cut-off

Zone	Class	Tonnes	Au g/t	Au Oz
A	3	400,000	0.91	10,000
B	3	1,100,000	1.07	40,000
C	3	2,400,000	1.21	90,000
E	3	1,200,000	1.27	50,000
F	3	600,000	1.59	30,000
G	3	400,000	0.98	10,000
J	3	1,500,000	0.99	50,000
K	3	1,400,000	1.31	60,000
L	3	1,700,000	1.19	70,000
M	3	500,000	0.97	10,000
All	3	11,200,000	1.18	420,000

Underground Inferred Mineral Resources - 1.0 g/t Gold Cut-off

Zone	Class	Tonnes	Au g/t	Au Oz
C	3	2,550,000	1.69	139,000
F	3	190,000	1.53	10,000
J	3	430,000	1.29	18,000
K	3	190,000	1.35	8,000
L	3	1,090,000	1.65	57,000
All	3	4,460,000	1.62	232,000

¹Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. The CIM definitions were followed for the classification of Indicated and Inferred Mineral Resources. The quantity and grade of reported Inferred Mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Mineral Resources as an Indicated Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated Mineral Resource category.

Table 2: Open Pit and Underground Assumptions

Price of gold (US\$/troy oz)	US\$1800
Exchange rate (US\$/C\$)	1.30
Grams per troy ounce (g/troy oz)	31.1035
Price of gold (C\$/g)	C\$23
Open Pit Mining Cost (C\$/t)	C\$2.60
Underground Mining Cost (C\$/t)	C\$50.00
Processing + G&A Cost (C\$/t)	C\$20.00
Mill Recovery	95%
Pit Slope (degrees)	45
Open Pit Reporting Cut-off (g/t gold)	0.30
Underground Reporting Cut-off (g/t gold)	1.00

Table 3: Open Pit Sensitivities to Cut-off Grade**Indicated Mineral Resources**

Cut-off	Zone	Class	Tonnes	Au g/t	Au Oz
0.20	All	2	6,500,000	1.25	260,000
0.25	All	2	6,400,000	1.25	260,000
0.30	All	2	6,400,000	1.26	260,000
0.35	All	2	6,300,000	1.27	260,000
0.40	All	2	6,200,000	1.29	260,000
0.45	All	2	6,000,000	1.31	250,000
0.50	All	2	5,800,000	1.34	250,000

Inferred Mineral Resources

Cut-off	Zone	Class	Tonnes	Au g/t	Au Oz
0.20	All	3	11,300,000	1.16	420,000
0.25	All	3	11,300,000	1.17	420,000
0.30	All	3	11,200,000	1.18	420,000
0.35	All	3	11,000,000	1.19	420,000
0.40	All	3	10,600,000	1.22	420,000
0.45	All	3	10,300,000	1.24	410,000
0.50	All	3	10,000,000	1.27	410,000

Table 4: Underground Sensitivities to Cut-off Grade**Inferred Mineral Resources**

Cut-off	Zone	Class	Tonnes	Au g/t	Au Oz
0.80	all	3	4,720,000	1.58	240,000
0.90	All	3	4,460,000	1.62	232,000
1.00	All	3	4,460,000	1.62	232,000
1.10	All	3	4,140,000	1.66	222,000
1.25	All	3	3,690,000	1.73	205,000
1.50	All	3	2,210,000	1.96	139,000
2.00	All	3	740,000	2.43	58,000

South and East Zones Mineral Inventory

For the South Zone deposit, located immediately southwest and along strike from the Main Zone, a mineral inventory was updated based on remodelling of the mineralization and grade estimations into a block model. Tabulations within pitshells using gold prices of US\$1700 and US\$1870/oz provided tonnage and grade ranges for the South Zone deposit between 13 to 31 Mt at 0.70 to 0.60 g/t gold, respectively using a 0.30 g/t gold cut-off. This stated potential quantity and grade is conceptual in nature as there is currently insufficient exploration at this zone to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource. The deposit modelling was based on 18 historic drillholes over a strike length of 1100 metres. Genesis will have to complete infill drilling to increase the confidence in continuity and gold grades derived from the historical drillholes in this deposit.

A previously reported mineral resource estimation for the East Zone in 2019 has been reviewed and downgraded to a mineral inventory due to too few drillholes and uncertainty related to the continuity of the mineralization. LGGC assessed the 44,000 Oz of underground and In-pit Inferred Mineral Resources was too small to meet the requirement of *Reasonable Prospects of Eventual Economic Extraction*. The open pit mineral inventory is between 0.3 and 0.4 Mt at 1.23 to 1.26 g/t gold and underground mineral inventory between 0.20 and 0.70 Mt at 1.20 to 1.25 g/t gold. These values are based on the interpreted solids and blocks from the 2019 model but filtered using different zone combinations. This stated potential quantity and grade is conceptual in nature as there is currently insufficient exploration at this zone to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource. The East Zone modelling was based on 32 drillholes over a strike length of 750 metres.

Main Zone Resource Estimate Methodology

For the Main Zone, the drill hole database is comprised of 220 holes with 63,640 metres of drilling. The mineral resource estimate is based on 1.0 metre composites (N=5,362) from 174 drill holes intersecting the mineralized zones over a strike length of 1400 metres. Extreme assay grades were capped and a restricted outlier strategy was applied to composites to allow elevated gold grades to influence local blocks. Correlograms were modeled to assess the gold grade continuity of each zone. Gold grades were estimated into 10x10x5 m blocks using ordinary kriging (OK) method, with additional runs using inverse distance squared (ID²) and nearest neighbour (NN) methods for validation purposes. The estimates were validated and classified based on the gold grade continuity and drillhole density. Estimation methodology and classification were completed compliant to the standards of the Canadian Institute of Mining, Metallurgy and Petroleum (CIM).

The resource estimate and mineral inventories were constrained within optimized Lerchs-Grossmann constrained pits and the underground resources at the Main Zone were limited within resource solids with contiguous blocks above cut-off.

The full report detailing the results of this resource estimate will be filed under the profile of the Company on SEDAR within 45 days.

Qualified Person

Susan Lomas, P. Geo., of LGGC is the Qualified Person, as defined in NI 43-101, responsible for the mineral resource estimates as reported herein. She has read and approved the relevant technical portions of this news release related to the mineral resource estimates for which she is responsible.

QA/QC

The Company maintains a rigorous QA/QC program with respect to the preparation, shipping, analysis and checking of all samples and data from the Property. Quality control for field sampling and drill samples at the Company's projects covers the complete chain of custody of samples, including sample handling procedures and analytical-related work, plus the insertion of standard and blank materials. The QA/QC program also includes data verification procedures. Actlabs in Ancaster, Ontario, Canada (ISO 17025 certification) assayed all rock and core samples from the recent drilling programs using fire assay and atomic absorption finish for gold and gravimetric finish if gold grades exceeded 5 g/t Au. Mr. Andre Liboiron, P. Geo, Exploration Manager for the Company and a QP as defined within NI 43-101 for the Chevrier Project, has overseen the QA/QC program of the Company.

The Company will continue to monitor the evolving COVID-19 situation and intends to comply with all government directives. Genesis Metals Corp. has enacted protocols designed to inhibit the spread of the COVID-19 virus to safeguard the health and safety of local communities and its workforce.

About Genesis

Genesis Metals Corp. is a member of the Discovery Group of Companies, an alliance of public companies focused on the advancement of mineral exploration and mining projects with a proven track record of generating shareholder value through responsible, sustainable, and innovative development. Discovery Group companies have generated over \$500 million in direct and indirect expenditures resulting in over a billion dollars in M&A activity, with notable recent successes being the sale of Northern Empire Resources Corp. to Coeur Mining Inc. and the sale of Kaminak Gold Corp. to Goldcorp Inc. Current Discovery Group member companies include: Great Bear Resources Ltd., Great Bear Royalties Corp., Elemental Royalties Corp., Bluestone Resources Inc., ValOre Metals Corp., Ethos Gold Corp., Gold Basin Resources Corp., Fireweed Zinc Ltd., Kodiak Copper Corp., and K2 Gold Corporation.

Genesis Metals Corp. is a gold exploration company focused on advancing its Chevrier and October Gold project in the prolific Abitibi region of Ontario and Quebec, Canada.

ON BEHALF OF THE BOARD OF DIRECTORS

"David A. Terry"
President, CEO, and Director

Suite 1020, 800 West Pender Street, Vancouver, BC V6C 2V6
Telephone: 604-646-8356
Email: js@genesismetalscorp.com
Website: www.genesismetalscorp.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Certain disclosure in this release, including statements regarding the anticipated timing for receipt of survey and till results; the Company's exploration plans; constitute forward-looking information or statements (collectively, "forward-looking statements") for the purpose of applicable securities laws. In making the forward-looking statements, the Company has applied certain factors and assumptions that are based on the Company's current beliefs as well as assumptions made by and information currently available to the Company, including that the Company is able to obtain any government or other regulatory approvals required to complete the Company's planned exploration and development activities; that the Company is able to procure personnel, equipment and supplies required for its exploration and development activities in sufficient quantities and on a timely basis; that actual results of exploration activities are consistent with management's expectations; that the current price and demand for gold will be sustained or will improve; that general business and economic conditions will not change in a materially adverse manner; Although the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect, and the forward-looking statements in this release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking statements. Such risks include, among others, the risks related to the inability to obtain required regulatory approvals on a timely basis or at all, that the risk that actual results of the Company's exploration activities may be different than those expected by management; delays in receiving survey and till results or obtaining any required government or other regulatory approvals; inability to procure required equipment and supplies in sufficient quantities and on a timely basis; the nature of mineral exploration and mining and the uncertain commercial viability of certain mineral deposits; the Company's lack of operating revenues and risks related to dependence on key personnel. Readers are cautioned not to place undue reliance on forward-looking statements. The Company does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.



To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/111336>