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BMR Group PLC
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BMR Group PLC ("BMR" or the "Company")

Update, Ester Licence, Northern Portugal

On 11 November 2016, BMR entered into an option to acquire an 80% interest in an exploration concession for tungsten, tin and potentially other minerals including gold and silver, over the property known as 'Ester' in Northern Portugal with previous historic workings (the "Ester Project").

BMR is pleased to announce the results of its first exploration campaign at the Ester Project, which was undertaken in conjunction with BMR's partner Mineralia-Minas, Geotecnia E Construcoes, LDA ("Mineralia"). BMR has to date expended EUR60,800 on the Ester Project, as a result of which it is now required to spend a further EUR39,200 to fulfil the payment terms of Minerlia Option Agreement whereupon the option will become exercisable until 10 November 2017.

Background

The Ester Project includes, within its 327.7 sq. km, the historic Rio de Frades ("Frades") and Regoufe Tungsten ("Wolfram") mines. In addition, there are numerous official and unofficial small scale surface workings, old mine adits and dumps reflecting the intensity of historic mining activity and the extent of the mineralisation on the licence.

The Ester licence lies approximately 70 km north of Portugal's only operating Tungsten mine at Panasqueira.

Geological field campaign

The field campaign ran between 21 November and 15 December 2016, during which time all the field samples collected were shipped to Wheal Jane Laboratories in Cornwall for a 28 element Inductively Coupled Plasma ("ICP") scan and precious metals analysis.

Overview and Results

The Board believes that the combination of (i) field sample assay results (ii) examination of historic mining data and (iii) limited structural analysis have identified multiple target areas within the Ester project.

These initial results have enabled BMR to define five high-priority targets for immediate further examination within the Regoufe Granite area of the Ester Licence, each hosting

potential vein-style tin-tungsten (Sn-W) mineralisation with possible gold (Au), silver (Ag) and lithium (Li) credits. These have been designated:

- □□□ Regoufe Mine Area
- □□□ Regoufe Mine Interchange
- □□□ Silvieras
- □□□ Regoufe North
- □□□ Drave

Selected best results from the 87 samples collected include 4.7g/t Au; 46.1g/t Ag; 2.07% Sn; 0.5% W and 0.12% Li. These are summarised by target areas below and, in the Board's opinion, serve to illustrate the potential of the entire licence area.

The source of mineralisation for a previously undiscovered Roman alluvial gold mine at Janarde will also form part of a future exploration campaign.

Comparison with other Tungsten operations

Ester's geological mineralised quartz vein structures appear to share many similarities with Wolf Mineral's Drakeland Mine in Devon (declared resource grades of 0.18% W and 0.03% Sn), which provides an interesting bench mark with which to compare the Company's results so far.

Further comparison can be made with Panasqueira's declared and indicated 0.23% WO₃ grade (0.18% W).

A map showing the location of Regoufe Granite target areas can be found on the Company's website.

Regoufe Mine Area

The Regoufe Mine area comprises a 500m x 500m area of historical surface workings and extensive underground workings (of currently unknown size and scale). The stacked quartz veins at the mine were historically exploited for tungsten. Rock chip samples of this material collected from the old mine waste dumps and adjacent workings have yielded best results as follows 0.1g/t Au, 20g/t Ag, 0.68% Sn and 0.3% W.

Regoufe Mine Interchange

Regoufe Mine Interchange is located 1km to the North East from the Regoufe Mine and comprises a series of large scale waste dumps and historically worked, outcropping quartz veins from the surrounding metamorphic rocks. One dump of unknown volume measures 200m x 50m, and is rich in arsenopyrite-bearing quartz vein material, yielding the best assays as follows 4.7g/t Au, 11.5g/t Ag, 2.07% Sn and 0.2 %W.

Further potential exists in the un-mined veins both along strike and at depth and within granite inclusions which outcrop in the vicinity.

Silvieras

Silvieras is located to the north of the Regoufe Granite where there is evidence of smaller scale historical mining of quartz veins and quartz breccias. Dump material has been collected from a 300m x 300m area of small scale workings where the best rock chip sample results were 1.4g/t Au, 2.6g/t Ag, 0.47%Sn and 0.5%W.

Regoufe North

Regoufe North is located in the central-eastern portion of the Regoufe Granite and sandwiched between the historic Regoufe Mine Interchange and Silvieras Mines. It is thought to represent a continuation of the vein-style and disseminated mineralisation found both at Regoufe and Silvieras.

Best rock chip samples results were 46.1 g/t Ag, 0.11 % Cu and 0.43 % Sn.

Potential exists where mineralised quartz vein material outcrops over a 700m x 400m area and appears to have been scarcely exploited by historic miners.

Drave

Drave is located 1km to the south from the Regoufe Mine where there is evidence of dense historical workings over a 500 m x 300 m area with sparser indications of historical workings noted from aerial photographs covering an area up to 2km x 1 km. The best rock chip samples from quartz veins in waste material have yielded 1.2 g/t Ag, 1.36 % Sn and 0.48% W.

Other prospects

Further potential exists in the wider area associated with the Regoufe Granite where to date only one site, Gourim, has been visited. This prospect is 1.5 km to the SE of the Regoufe Mine and comprises a small 400m long x 100 wide accumulation of historical workings. The best results yielded 0.99 g/t Au, 29.8 g/t Ag and 0.1% Sn. Each of the five samples taken at Gourim contained anomalous silver.

Future Work programme

As a substantial number of the samples collected from the old mine dumps returned high grade W, Sn, Au and Ag values, BMR intends to combine these samples for early stage metallurgical scoping test work. The intention is to target these historic mine dumps for

potential early re-treatment. In support of this strategy, BMR intends to undertake a detailed sampling programme of the largest mine dumps to establish the in-situ grade.

Additionally, a detailed mineralogical examination will be carried out on ten selected samples by Petrolab in Cornwall.

Finally, a structural survey of the entire Ester licence will be commissioned to help target future field work. This will assist in identifying potential drill targets to explore the underlying extent of further mineralisation initially adjacent to the historic Regoufe and Frades mines.

This announcement has been reviewed by Ms Steph Wilks, Group Geologist, Master of Earth Sciences (MSci Hons, Geology) Royal School of Mines - Imperial College.

This announcement contains inside information for the purposes of Article 7 of Regulation 596/2014.

Alex Borrelli, CEO and Chairman, commented: "We are pleased with these early stage results at the Ester Project which we expect to augment the Company's asset base as our sampling programme continues."

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