

CCACCAPAQUI GOLD-SILVER

Highlights

- 600 hectare project in the gold-silver epithermal belt of southern Peru;
- Located 25 kilometers northwest of 0.5 M oz Brea Pampa gold discovery;
- Intense alunite and silicic alteration typical of high sulfidation epithermal system;
- Strong gold and silver rock anomalies associated with silicification and sinters;
- Previous exploration in the 1990's limited to referential rock sampling and 4 shallow drillholes;
- High potential for concealed replacement-style gold-silver mineralization;
- During 2007 preliminary surface exploration was completed by Alturas;
- Excellent road access.

Location and Ownership

The 600 hectare Ccaccapaqui property is located 460 kilometers southeast of Lima in the department of Ayacucho, within the same belt that hosts major gold-silver epithermal deposits such as Orcapampa, Arcata, Ares, Antapite and Poracota. The 0.5 Moz Brea Pampa gold deposit lies only 25 kilometers to the southeast.

Alturas won 100% rights to the Ccaccapaqui claim in a ballot, ahead of a major company that had also staked the claim on the same day.



Ccaccapaqui location map

Exploration History

During the 1990's various companies explored the extensive areas of hydrothermal alteration anomalies covering the Tertiary volcanic rocks of southern Ayacucho. They include North Limited and Minera Ares, who conducted reconnaissance geological mapping and rock chip geochemical sampling within the area of the existing Ccaccapaqui property. Ares later drilled 4 short diamond drillholes on the property around the year 2000, but the results are not available.

Alturas completed 1:5,000 geological mapping and rock chip geochemical sampling over the project during 2007. High level epithermal alteration textures such as siliceous sinters and massive silicification were identified, together with strong gold and silver anomalies that confirmed earlier results. To date, Alturas has not conducted geophysical studies nor drilling of the property.

More recently, a Newmont/ Buenaventura joint venture has defined 0.5 Mozs of economic gold resources at the nearby Brea Pampa project.

Geology

Ccaccapaqui is located within the mid- to late- Tertiary volcanic field of southern Peru. Within the project area, lithic tuffs and dacites of the mid Tertiary Tacaza Group are unconformably overlain by massive andesite flows of the late Tertiary Barroso Group, the lower stratigraphic sequence occupying erosional windows in formerly glaciated valleys.

The mid-Tertiary Tacaza sequence is intensely hydrothermally altered, with alteration controlled by regional NW-SE and NE-SW structures. Alteration includes intense argillic, alunite and siliceous alteration of the host tuffs and dacites. Banded "sinter" textures, typical of the upper levels of epithermal alteration systems, are present in some areas.

Importantly, the upper andesitic volcanic sequence is largely unaltered and unmineralized, forming a post-mineral cover sequence that may mask earlier mineralization.

Mineralization

Strong gold and silver values are associated with massive and banded siliceous alteration, and alunite-silica breccias, all of which appear to be controlled by favourable stratigraphy and the NW-SE and NE-SW structures. In systematic sampling of siliceous outcrops by Alturas (219 samples), values of up to 3.19 g/t gold and 194 g/t silver have been identified, distributed in a semi-coherent anomaly +1.50 x 0.50 kilometers in dimension. The siliceous alteration system is still open at both ends, passing under younger cover and re-emerging to the NW, extending the potential of the system to more than 2.5 kilometers of strike length.

Distinctive banded chalcidonic "sinter" deposits occur in the northwestern part of the prospect and report spotty gold values of up to 0.76 g/t.

The results obtained from 4 shallow drillholes previously completed by Ares are not known. It is worth noting that the earlier holes are only sited adjacent to outcrops and have not tested beneath the areas of extensive glacial cover.

Future Program

Strong gold-silver values, associated with siliceous alteration and breccias, are highly encouraging. There is excellent potential to discover concealed zones of bulk tonnage gold-silver mineralization hosted in tuffs along the main controlling structures and their intersections. Alturas's assessment is that the existing widely-spaced drillholes have not adequately tested the potential of this kilometeric-scale high sulfidation gold-silver system.

No systematic geophysics has ever been conducted on the property, in spite of the extensive glacial cover that could easily mask replacement-style high sulfidation gold-silver targets. Alturas proposes a detailed geophysical program that would include an electrical technique, such as induced polarization, followed by drilling. The company is currently seeking a partner to assist in advancing the project further.