



EQUITAS
RESOURCES CORP.

IN WITH ZIJIN

CHINESE GIANT BACKS EQUITAS BC COPPER-GOLD PROJECT

“CLIMB THE MOUNTAIN”—for Equitas Resources TSXV:EQT the challenge is both metaphorical and literal. While his drill crew thinks nothing of a late autumn scramble up a northern BC mountainside, President/Director Jay Roberge is more likely to scale figurative obstacles in the boardrooms of Hong Kong. As a result, the company’s Day Copper-Gold Porphyry Project now has the backing of Zijin Mining Group, China’s biggest gold producer.

“Most companies would not have tried to drill in that neck of the woods in October,” Roberge says. “But that reflects the kind of company we’re building here at Equitas. I wasn’t going to make the decision from Vancouver. So I told the guys to go up there and make the call from the mountain.”

Once mobilized, the crew hit a brief spell of clear weather and “climbed like goats” for 1,300 snow-covered metres to drill a 285-metre hole, “which is a great accomplishment under the circumstances,” Roberge says. “That indicates the type of company we are—very aggressive.”

Aggressive in the financial world too, as Roberge showed by snagging Zijin as Equitas’ largest shareholder. He points out the Asian giant is “the number 1 producer of gold in China, the number 3 of copper, the number 6 in zinc, [and] they have ambitions to be one of the top five miners in the world. Their current market cap is about \$15 billion on the Hong Kong exchange. They’ve invested around a billion dollars in projects around the world. I was able to get their support for investing in early exploration.”

That support, Roberge emphasizes, allows for a unique business model. “Our company is being set up as an exploration company for Zijin,” he explains. “Other companies take their projects to a certain stage and then look for a joint-venture partner. We’ll be doing the same, but we already have our partner. We’ll be joint-venturing everything back to Zijin.

“So our model is to get six to eight projects and prove them out or disprove them as fast as possible,” he continues. “The ones that graduate, we’ll joint-venture. We’ll take capital from that joint venture and do more projects. It’s quite unique. It’s not at all common to see a company of our size hitching its wagon to a major. We have the backing and support of a multibillion-dollar company.” >>



Last October's quick but intrepid mountainside adventure brought the following assay, released December 15:

- 0.64 grams per tonne gold and 0.11% copper over 123 metres
- (including 0.81 g/t gold and 0.13% copper over 53.1 metres)

"We know we're in a porphyry system; the hole was mineralized throughout with some decent results; we're very close to the source of the porphyry; and we'll continue to explore on our first opportunity to get back up there," Roberge says.

The result follows surveying, mapping and sampling that includes 211 rock and soil samples and nearly 400 historic drill cores that have been sent for assaying.

It was the historic drilling that really attracted Zijin, Roberge says. Falconbridge (acquired by Xstrata in 2006) drilled the property in 1974, followed by Skeena Resources TSXV:SKE in 1994.

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Other companies also like the Toodoggone region, Roberge points out. "There's the Kemess South Mine, which shut down in March, the Kemess Underground or Kemess North [AuRico Gold Inc TSX:AUQ], and Mount Milligan [Thompson Creek Metals TSXV:TCM] is being built to the south.

Between us and Mount Milligan there's Serengeti's TSXV:SIR Kwanika Project. So we're in the right area. With this historic drilling and the one hole we have now, we're very, very optimistic about our chances up there."

Among his company's other advantages, Roberge includes its relationship with shareholder Zimtu Capital TSXV:ZC. "We work out of Zimtu's office and share back-end resources with a number of other companies. That's administrative, accounting, an in-house geo who we can all tap into, marketing and so on. So there's a lot of expertise we can rely on to cut down on costs."

Zijin, however, holds the largest chunk of Equitas, now about 19.9% with an option to reach 31%. Last November, geologist Richard Yu, general director of Zijin's International Exploration Division, joined the Equitas board of directors.

Although the Day Project is very much early stage, Roberge sees an extremely busy 2012 on a number of fronts. Fundamental Research will release its initial report on Equitas. Roberge plans to spend more time in Hong Kong, including an appearance at the Mines and Money event, to recruit additional backers. "Quite frankly, the Asian market understands the value of our partnership with Zijin better than the market here," he says. "Nobody here knows what Zijin is." With more capital, Roberge hopes to acquire

more projects—and to do so quickly. His optimism can take on the tone of urgency.

"With the markets the way they are, good opportunities are presenting themselves on the asset side. So we're looking at a number of opportunities in British Columbia, Arizona, New Mexico and South America. The priority would probably lean towards BC and Arizona. We'd like to see a couple of acquisitions and maybe get some drilling done in Arizona before we get back to the Day property."

Very optimistic indeed, especially given the company's press-time share price of \$0.095. With 51.33 million shares outstanding, that comes to a very modest market cap of \$4.9 million.

That hardly deters Roberge. "People are going to realize Zijin Mining had good reason to invest in a little junior on the TSX Venture," he says. "We think that's going to bode well for our company and our shareholders."

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