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### NEWS RELEASE

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#### **Trench Results of 12m of 2.92g/t gold and 4m of 202.5g/t silver from Las Lajas Gold Project, Mexico. Follow-up Diamond Drill Program Underway**

**Vancouver, British Columbia (TSX Venture: AGP) – August Metal Corp. (the “Company” or “August”)** is pleased to announce trench results for the Las Lajas Gold Project in southern Sonora State, Mexico. The best results were 12 meters grading 2.92g/t Au in trench T-15 and 4 meters grading 202.5g/t Ag in trench T-27 in the El Terco zone, two separate intervals of 12 meters grading 1.30g/t Au and 18 meters grading 1.06g/t Au in trench T-32 in the El Peluchin West zone, 2 meters grading 8.00g/t Au in trench T-42 in the Peluchin Northwest Extension and 38 meters of .733% Cu in trench T-19 in the El Triunfo zone.

The Company is very pleased with the results of the trenching program on the Las Lajas Gold Property. The program has clearly demonstrated the widespread nature of gold mineralization at Las Lajas and has confirmed the potential for both high grade structurally controlled gold deposits, and large, bulk tonnage gold mineralization.

The trenching program was designed to test soil and rock geochemical anomalies from 6 separate gold and copper exploration targets, outlined in prior exploration programs by Minera Glamis and Minera Phelps Dodge in the 1990s and by Minera Goldzone in 2008 to 2010. A total of 4,395 metres in 47 trenches were excavated at the El Terco, El Peluchin, El Triunfo, Peluchin West, Peluchin Northwest Extension and Las Avispas mineralized zones. See the Company website for maps, and NI43-101 report at [www.sedar.com](http://www.sedar.com) for geological setting and project overview.

#### **El Terco**

El Terco is a gold-rich silicified zone, hosted in green schist intercalated with, and underlain by, limestone that trends NNE and dips moderately WNW. Mineralization has been partially exposed over an area 600 meters long and 200 meters wide by numerous shallow artisanal mines and a 30 meter deep shaft (Pozo del Gringo). Gold occurs in grey, silicified zones hosted in fractured quartz-chlorite schist with minor illite and illite-smectite. Quartz preferentially replaces limestone, and is generally massive with no epithermal textures. Minera Goldzone collected 88 surface rock chip-channel and grab samples from El Terco. The best overall result was 7.04 g/t

Au across 1 m. Of the 88 samples, 13 (15%) contained more than 1 g/t Au, and the average result of all 88 surface rock samples was 0.64 g/t Au.

Just east of the principal workings, sub cropping green oxides in hematitic quartz boulders yielded significant anomalous silver values for prospectors utilizing a Niton XRF gun. Trench T-27 was cut through this prospect, and yielded results of 202.5 g/t Ag, 0.27 g/t Au 0.25% Pb and 0.2% Zn across 4 meters.

Approximately 400 meters south of the main El Terco prospects, Trench T-14 cut 4 meters of 0.77 g/t Au, 1 g/t Ag and 0.3% As. Approximately 80 meters to the south, this zone was intercepted again in Trench 15, which yielded results of 2.92 g/t Au and 1.6 g/t Ag across 12 meters.

### **El Peluchin**

El Peluchin is a historic open-cut mine approximately 80 meters long, one to 3 meters wide, and has been stoped out to a depth of about 20 meters. Minera Goldzone collected 10 rock samples from Peluchin Stope which had an average value of 0.86 g/t Au and 3.9 g/t Ag. Mineralization occurs in grey quartz veins hosted in muscovite schist. The veins strike northwesterly and dip moderately southwest. Trench T-16, cut 60 meters NNW of the stope, intercepted two zones of quartz veining: (i) 8 meters of 0.68 g/t Au, 0.6 g/t Ag and 0.6% As, and (ii) 2 meters of 0.79 g/t Au, 15.7 g/t Ag, 0.3% As and 0.7% Pb. A further 370 meters to the NNW, these two zones were intercepted again in Trench T-26: (i) 0.55 g/t Au, 4.1 g/t Ag, and 0.6% As across 2 m and (ii) 0.76 g/t Au, 3.0 g/t Ag and 0.3% As across 2 m.

### **El Triunfo**

El Triunfo is defined by several other small prospect pits over 500 meters of strike length along a NNW trending zone that dips moderately southwest. Mineralization consists of copper-rich chrysocolla and chalcocite that is hosted in foliation parallel fractures in green schist west of a monzodiorite porphyry. The average result of 12 Goldzone rock samples from different prospects on the El Triunfo structure was 0.38% Cu, 0.15% Zn, 5.9 g/t Ag and 0.1 g/t Au. Trenching has confirmed continuity of the El Triunfo over a strike length of 160 meters in the central part of the zone. Overall, the best result was 0.73% Cu, 0.17% Zn, 1.9 g/t Ag and 0.07 g/t Au across 38 meters in Trench T-19.

### **El Peluchin West**

In this area, trenching has discovered three new mineralized trends hosted in oxidized greenschist: A, B and C (see website maps). Trend A is defined by intercepts in Trenches Tr-1, Tr-2 and possibly Tr-12, located 540 meters northwest of T-2. From Tr-1, results of 0.43 g/t Au and 1.2 g/t Ag occur across 9 meters. In Tr-2, 0.28 g/t Au, 4.8 g/t Ag and 0.11% Pb occurs across 16 meters. In Tr-12, values of 1.87 g/t Au and 3.3 g/t Ag occur across 4 meters. Trend B is more complex, with several anastomosing veins implied by the mineralized intercepts. The structures are intruded by several felsic dykes. Overall, the best result from Trend B is 22 meters of 0.5 g/t Au and 0.3 g/t Ag in Tr-8. The zone is reasonably well defined over a 250 meter strike length to the northwest and southeast. Trend C is parallel to, but 250 meters northeast of Trend B. The best results from this area were two intercepts in Trench T-32: (i) 12 meters of 1.3 g/t Au and 0.4 g/t Ag, and (ii) 18 meters of 1.06 g/t Au with 0.6 g/t Ag and 0.15% Zn.

### **Peluchin Northwest Extension**

This area is underlain by green schists with minor intercalated limestones that are intruded by a granodiorite stock. The intrusive is porphyritic, and feldspars are affected by minor kaolinite alteration. Locally, the intrusion is cross-cut by red-grey quartz veins with abundant specularite

and locally, native gold. Some of the better grades in Trench T-38 were: 3.34 g/t Au and 0.3 g/t Ag across 2 meters and 3.42 g/t Au and 1.5 g/t Ag across 2 meters. In the greenschist west of the intrusion, good results were returned from Trench 42: (i) 8 meters of 2.23 g/t Au and 5.8 g/t Ag and (ii) 2 meters of 8 g/t Au and 1.4 g/t Ag.

### Las Avispas

Spectacular, easterly trending intermediate sulfidation epithermal quartz veins and breccias outcrop discontinuously over a 1.3 kilometer long strike length about 1.8 kilometers east of the El Terco Monument. The veins and breccias are hosted in thinly bedded limestones and intercalated schists that strike easterly and dip moderately to the north. In general, the mineralization is guided by the stratigraphic orientation, but it is not confined to bedding/foliation planes. There are two historic mine shafts located along the central 275 meters of an ore shoot where most of the quartz veining and brecciation seems to be focused.

Minera Goldzone collected 8 rock samples from the Avispas Vein. The average result of these was 70 g/t Ag, 0.66 g/t Au, 1.3% Zn, 0.3% Pb and 0.05% Cu. The Company's Qualified Person sampled the dumps from the two shafts as the dump material is fresher than the surface outcrops, and would hopefully be more representative of the material targeted by the miners. The westernmost sample contains **1103 g/t Ag** and 0.79 g/t Au, and the easternmost sample contains **bonanza** grades of **46.87 g/t Au and 56 g/t Ag**.

SWIR spectrometry of samples from the Abejas and other epithermal style veins to the north shows that the alteration mineralogy of the samples is mainly illite, as would be expected in a high-grade vein, although alunite (aluminum sulfate) was found in one sample, and barite (barium sulfate) was found in the sample from the eastern dump on the Abejas Vein.

Trench T-30 intercepted two zones in the Avispas area: (i) 27.8 g/t Ag, 0.1 g/t Au, 0.5% Pb, 0.8% Zn across 2 m and (ii) 50 g/t Ag, 0.1 g/t Au, 0.3% Pb and 0.2% Zn across 2 m.

### Analytical results from trench samples from Las Lajas, Navojoa, Sonora, Mexico

Trench ID	From (m)	To (m)	Width (m)	Au (g/t)	Ag (g/t)	As (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
T-1	33	42	9	0.43	1.2	218	67	25	444
T-2	72	88	16	0.28	4.8	1,427	90	1,120	421
T-6	30	38	8	0.89	0.2	263	14	9	27
T-7	12	14	2	1.38	0.2	502	21	11	53
T-7	20	30	10	0.22	0.2	106	3	11	13
T-8	14	36	22	0.50	0.3	472	21	12	49
T-8	64	70	6	0.38	0.2	477	49	8	98
T-8	110	114	4	0.75	0.4	757	72	13	144
T-8	122	126	4	3.72	0.7	495	102	34	191
T-9	74	78	4	0.81	0.2	436	50	9	113
T-12	48	52	4	1.87	3.3	1,222	372	26	114
T-13	16	32	16	0.44	0.2	168	38	3	70
T-13	72	90	18	0.24	0.4	979	27	8	16
T-14	36	40	4	0.77	1.0	3,052	379	8	64
T-15	30	42	12	2.92	1.6	460	244	7	30
T-16	20	28	8	0.68	0.6	5,975	128	16	35

Trench ID	From (m)	To (m)	Width (m)	Au (g/t)	Ag (g/t)	As (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
T-16	42	44	2	0.79	15.7	2,870	120	6,750	87
T-17	6	54	48	0.03	0.5	109	1,625	9	1506
T-18	12	16	4	0.03	0.8	24	13,100	13	1,232
T-19	10	48	38	0.07	1.9	124	7,330	37	1,728
T-20	28	32	4	0.01	0.2	115	3,185	4	1,585
T-26	78	80	2	0.55	4.1	5,520	215	285	246
T-26	130	132	2	0.76	3.0	2,870	96	77	258
T-27	20	24	4	0.27	202.5	268	191	2,455	1,907
T-30	0	2	2	0.10	27.8	360	414	5,030	8,190
T-30	34	36	2	0.10	50.0	162	311	2,990	1,530
T-32	46	58	12	1.30	0.4	288	144	7	465
T-32	64	82	18	1.06	0.6	257	309	4	1,526
T-35	32	36	4	0.67	0.3	34	32	4	52
T-36	86	89	3	0.81	0.2	307	44	10	116
T-36	92	95	3	0.42	0.2	815	34	6	66
T-36	105	109	4	0.73	0.3	203	27	5	46
T-36	139	141	2	0.56	0.2	1,240	89	2	45
T-37	84	87	3	1.16	0.2	19	2	7	21
T-38	64	66	2	3.34	0.3	206	6	12	21
T-38	88	90	2	1.28	0.4	313	13	39	63
T-38	122	124	2	3.42	1.5	1,020	83	94	435
T-42	14	22	8	2.23	5.8	2,107	382	271	132
T-42	66	68	2	1.61	0.8	7,620	34	24	51
T-42	102	104	2	8.00	1.4	770	167	49	36
T-42	112	114	2	0.96	0.3	2	27	50	52
T-45	0	3	3	1.15	3.4	304	37	25	57

The 1,500 meter diamond drilling program announced on April 13, 2011 is well underway and is expected to be increased to 2,200 meters. The drill program is designed to test targets defined and untested by previous operators, and targets generated by the recently completed trenching program on the Las Lajas Gold Project.

#### **Comments on Sampling, Assaying and QA/QC**

This news release was reviewed by Michelle Robinson, MASc., P.Eng., August Metal Corp.'s independent Qualified Person as defined by NI 43-101. Trenches were mechanically excavated using a backhoe Cat 420 D 4x4 to a depth ranging from a few centimeters on rocky ridges to 3 meters in overburden covered areas. The trenches were mapped by a geologist, and then sampled at two or three meter intervals, mainly from west to east. Sample weights ranged from 3 to 6 kilograms. The samples were labeled, sealed in plastic bags, and then collected in grain sacks. Blind standard and blank samples were inserted at random intervals into the sample stream. From the field, the samples were shipped by courier to ALS Chemex de Mexico S.A. de C.V. in Hermosillo Sonora for preparation. The samples were weighed, logged, crushed, pulverized then fine-crushed. The samples were then split with a riffle splitter and pulverized to 85% < 75

microns. Prepared pulps were then sent to Chemex's main lab in Vancouver, British Columbia, Canada for analysis. Gold was determined using a fire assay of a 50 gram pulp with and AA finish (Au-AA24). Base metals and silver were determined using ICP-AES methods on a 0.5 gram pulp dissolved in hot aqua regia (ME-ICP41). Chemex's quality control system complies with the requirements for the International Standard ISO 9001:2000 by monitoring analytical accuracy and precision with the insertion and analysis of blanks, reference standards and duplicate samples. The qualified person has taken random duplicates of anomalous and non-anomalous samples from the trenches to verify the general tenor of the results.

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