VANCOUVER, Feb. 26, 2016 /CNW/ - Arizona Mining Inc. (TSX: AZ) ("Arizona Mining" or the "Company") is pleased to announce it has entered into a letter of intent with a private company ("Seller") to acquire the 20% interest in the common shares of Arizona Minerals Inc. ("AMI") that the Company does not currently own. AMI owns 100% of the Hermosa Project, which includes the Taylor Deposit, in Arizona, USA, subject to a 2% NSR. The Company will issue 40 million common shares and 5 million common share purchase warrants to Seller as consideration for the acquisition. Each share purchase warrant is convertible into one common share of the Company at a price of $0.50 for a period of three years from closing. The common shares to be issued represent approximately 19.8% of the Company's common shares on a post issuance basis or 21.7% assuming the exercise of the share purchase warrants.

Jim Gowans, Arizona Mining's President and CEO commented "we are very excited about the prospects for the Taylor Deposit and think increasing our ownership to 100% of the project at this time will serve our shareholders well over the long-run. Owning the project outright should also help with marketing, logistics and financing as we move the project forward."

Seller is controlled by Richard W. Warke, a Director and Chairman of the Company. The acquisition is subject to, among other things, execution of a definitive purchase agreement, the approval of the Toronto Stock Exchange and the approval of a majority of the votes cast by the shareholders of the Company, excluding votes cast by Seller and Richard Warke, and their related parties and joint actors. Further information on the proposed acquisition will be provided to shareholders in the Information Circular for the shareholders meeting, which is expected to be held in the second quarter of 2016.

About Arizona Mining
Arizona Mining Inc. is a Canadian mineral exploration and development company focused on the exploration and development of its 80% owned Hermosa Project located in Santa Cruz County, Arizona. The Taylor Deposit, a lead-zinc-silver carbonate replacement deposit, has a resource of 39.4 million tonnes in the Inferred Mineral Resource category grading 11% zinc equivalent ("ZnEq") utilizing a 6% ZnEq cutoff grade calculated in accordance with NI 43-101 guidelines. The Taylor Deposit remains open to the north, west and south over land controlled by the Company and will be aggressively drilled to test the limits of the resource. The Company recently completed metallurgical test work on drill core from the Taylor Deposit that projects overall recoveries of 92.9% Pb; 85.5% Zn and 91% Ag using industry standard froth flotation processing technology. The Company's other project on the Hermosa property is the Central Deposit, a silver-manganese manto oxide development project that has a prefeasibility study completed in December 2013. The technical report for the updated resource on the Taylor Deposit will be filed by March 17, 2016 and be available on the Company's website or on Sedar at www.Sedar.com at such time.

Cautionary Note Regarding Forward-Looking Information
Certain information contained in this press release constitutes forward-looking statements. All statements, other than statements of historical facts, are forward looking statements including statements with respect to the Company's intentions for its Hermosa project in Arizona, USA including, without limitation, acquiring the 20% of Arizona Minerals Inc. that it does not currently own. Forward-looking statements are often, but not always, identified by the use of words such as may, will, seek, anticipate, believe, plan, estimate, budget, schedule, forecast, project, expect, intend, or similar expressions.

The forward-looking statements are based on a number of assumptions which, while considered reasonable by Arizona Mining, are subject to risks and uncertainties. In addition to the assumptions herein, these assumptions include the assumptions described in Arizona Mining's management's discussion and analysis for the year ended December 31, 2014 ("MD&A"). Arizona Mining cautions readers that forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ materially from those expressed in or implied by such forward-looking statements and forward-looking statements are not guarantees of future results, performance or achievement. These risks, uncertainties and factors include general business, economic, competitive, political, regulatory and social uncertainties; actual results of exploration activities and economic evaluations; fluctuations in currency exchange rates; changes in project parameters; changes in costs, including labour, infrastructure, operating and production costs; future prices of zinc, lead, silver and other minerals; variations of mineral grade or recovery rates; operating or technical difficulties in connection with exploration, development or mining activities, including the failure of plant, equipment or processes to operate as anticipated; delays in completion of exploration, development or construction activities; changes in government legislation and regulation; the ability to maintain and renew existing licenses and permits or obtain required licenses and permits in a timely manner; the ability to obtain financing on acceptable terms in a timely manner; contests over title to properties; employee relations and shortages of skilled personnel and contractors; the speculative nature of, and the risks involved in, the exploration, development and mining business; and the factors discussed in the section entitled "Risks and Uncertainties" in the MD&A.

Although Arizona Mining has attempted to identify important risks, uncertainties and other factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those expressed in or implied by the forward-looking information, there may be other risks, uncertainties and other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended. Unless otherwise indicated, forward-looking statements contained herein are as of the date hereof and Arizona Mining disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable law.

SOURCE Arizona Mining Inc.

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