Alta Zinc Ltd: Discovery of New High-Grade Vein at Punta Corna Project

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Perth, Australia - Alta Zinc Ltd. (ASX:AZI) is pleased to announce that is has successfully completed another field campaign at Punta Corna, which included detailed mapping and sampling of seven mineralised main veins containing cobalt, nickel, copper and silver mineralisation. Excitingly, this campaign also discovered new, closely spaced, mineralised sub-veins (splays off the main veins) which have the potential to significantly extend mineralisation beyond the main mineralised vein sets. Recent mapping confirmed mineralisation has so far been discovered over a strike length of at least 2500m and between elevations of 2480m and 2820m above sea level (a vertical range of 340m) suggesting that the total mineralised system has the potential to be extensive as it is open in all directions and also vertically. Further results from this new campaign are awaited.

HIGHLIGHTS

- Comprehensive surface mapping and sampling of cobalt, nickel, copper and silver mineralisation observed in seven sub-vertical main veins over a combined mapped mineralised strike length of ca. 2500m and a current vertical extent of 340m, including:

o The additional discovery of closely spaced mineralised vein 'splays' lying between several of the main veins, which increases the potential aggregated mineralised vein widths

- Recent work supplements the 2018 sampling programme which returned up to 3.4% cobalt, 2.5% nickel, 6.1% copper and more than 900g/t silver in areas where:

o Historical 50t diluted bulk sample from multiple veins returned 0.6% cobalt; and

o Historical composited single vein sampling returned up to 6.1% cobalt and 4.3% nickel.

- Punta Corna is complementary to our current base metals strategy in Italy and drilling continues at our flagship Gorno Project with two drills turning.

Geraint Harris, MD of Alta Zinc commented:

"Our work at Punta Corna confirms that the Project hosts a number of parallel vertical veins containing high-grade samples of cobalt, nickel, copper and silver mineralisation and these veins show good structural continuity over long strike lengths and with the mineralisation having at least 340m of down dip extent. It is also very exciting to discover a system of mineralised sub-veins sitting between several of the main veins, which has the potential to significantly add to the mineral endowment of the area.

We therefore look forward to the further results of our 2020 field campaign and to planning the next steps of our exploration at Punta Corna".

Alta's Punta Corna Project is located in the Italian Alps, at an elevation of approximately 2800m and is a short distance from the Northern Italian town of Usseglio, less than 4-hours drive from the Gorno Project.

Table 1* lists the significant assay results from the exploration work completed between 1920 and 1937. Although the precise locations of the samples have yet to be exactly determined from the historical data their approximate locations relative to the field campaign zones are shown on Figures 1 and 2*.

Alta has conducted a recent geological field program which achieved the following:

- Established a field camp at Punta Corna (a 3-minute helicopter journey from the nearby town of Usseglio) to maximise the field time available for the geology teams.

- Mapped and sampled a number of surface outcrops of cobalt, nickel, copper and silver mineralisation, and conducted reconnaissance mapping to locate many of the previously unseen but historically recorded veins.

- Surveyed the accessible underground workings and mapped the accessible stoping areas to determine the

extent and continuity of the underground mining, so as to better determine potential mineral extensions.

- Conducted an ongoing detailed search and assessment of historical archive data and recent academic papers to gain a greater understanding of the formation and genesis of the deposit, the production history and extent of discovered mineralisation, and the results from the post-mining historical exploration campaigns in the early 20th century.

The Punta Corna Project is a short distance from the Northern Italian town of Usseglio and is accessible either by car and then on foot (from Usseglio), or by helicopter (3 minutes flight). Despite the steep terrain there is infrastructure in the area with a hydro-electric facility in the adjacent valley.

The Punta Corna deposit was extensively mined in a period of three years from ca. 1756 to ca. 1759 as an important source of cobalt for use as a natural vibrant blue pigment in European industry. The short mine life was as a result of these natural cobalt oxide pigments being replaced by synthetic substitutes. Subsequent exploration carried out in the early 20th century demonstrated that mineralisation remained in-situ after mine closure and no further mining has taken place since.

The mineralisation occurs in near-vertical veins which show very good continuity over several kilometres of strike and over more than 340m of vertical elevation. Recent examination of the accessible underground drives indicates that sub-vertical high-grade cobalt veins were selectively mined at a width of ca. 1.2m to 2.0m leaving behind low-grade mineralisation in the sidewalls of these historical stopes. Exploration drilling to determine the extent of mineralisation was never undertaken at Punta Corna and thus underground mining simply followed mineralised vein outcrops from surface to underground. Despite the relatively short historical mine life, the workings at Punta Corna are extensive with any number of mining portals and adits exploiting the multiple vein system over a total strike length of more than 4.5km.

More than 160 years after mining ceased an exploration campaign in the early 1920s assessed the Co/Ni Project viability through sampling and mapping of the accessible veins (due to natural weathering those veins would have been more accessible then, than at the current time). That sampling was conducted to largely determine the in-situ average grade of the individual veins however, despite the historical sampling methodologies not being specified to modern standards, Alta assumes the methodology to be appropriate and reasonable. Initial results were encouraging and a subsequent phase of exploration was conducted between 1936 and 1937 which included more whole vein sampling, and the drilling and blasting of multiple veins to produce a diluted bulk sample of approximately 50 tonnes. A technical study which included metallurgical test work and mine design was completed in 1937. The last recorded exploration between 1941 and 1944 by the FIAT automobile company of Turin focussed only on the iron rich mineralisation to the west of the Co/Ni veins.

Clearly neither the historical mining or later exploration included any drilling to determine the full extent of the mineralisation beyond the veins visible at the time, or to determine whether there are any other metals present in the mineralised system. This was despite medieval age diggings at a lower elevations on the mountain having mined geologically similar vein structures for silver and copper ore. Plainly, Alta's 2018 exploration demonstrates that the Co/Ni mineralisation also has associated high Cu and Ag values.

The general location of the mineralised zones and the contained structures can be seen in Figure 1*. This also shows the position of the medieval silver/copper mine named Santa Barbara (zone D), which mined a vein having a similar orientation to the main Co/Ni veins but which appears to be rich in tetrahedrite, a mineral containing high Cu and Ag values rather than Co/Ni. This Santa Barbara vein is approximately 1400m lower in elevation than the uppermost Co/Ni veins, and this vertical relationship will be investigated by Alta as the genesis and potential zonation of the deposit is further examined.

*To view tables and figures, please visit:
https://abnnewswire.net/lnk/V4WFRN72

About Alta Zinc Ltd:

Alta Zinc Ltd. (ASX:AZI)(FRA:8EE) is an emerging ASX-listed exploration and development company focused on unlocking dormant value at the Gorno Project. Gorno is an historic high-grade zinc mine in industrialised Northern Italy, proximal to smelters and key infrastructure and with a track record of producing high quality clean concentrates to European Smelters.

Drilling of known brownfields high-grade targets is underway and aims to strengthen the current Resource inventory. Subsequent project development will leverage off the existing underground infrastructure, simple metallurgy and advanced technical studies to de-risk a future feasibility study. The Company also has a

portfolio of other mineral exploration projects in northern Italy and Australia.

Source:
Alta Zinc Ltd.

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