BeMetals Confirms Significant Gold and Silver Component from Its Phase 2 Underground Drill Program at the High-Grade South Mountain Zinc-Silver-Gold-Copper Project

09.12.2020 | ACCESS Newswire

VANCOUVER, December 9, 2020 - BeMetals Corp. (TSXV:BMET)(OTCQB:BMTLF)(FSE:1OI.F) (the "Company" or "BeMetals) is pleased to announce this initial batch of analytical results from the ongoing Phase 2 underground diamond drilling program at the high-grade South Mountain Zinc-Silver-Gold-Copper Project ("South Mountain" or "South Mountain Project" or the "Property") in southwestern Idaho, U.S.A. Today's results demonstrate that the mineralized bodies extend beyond the upper and lower boundaries of the previously identified mineralized bodies and enhance the continuity of the DMEA Zone (See Table 1 and Figure 1 below).

DRILL HOLE HIGHLIGHTS:

- SM20-023 Interval 2: 14.66 metres grading 8.81% Zinc ("Zn"), 90.7 grams per tonne ("g/t") Silver ("Ag"), 2.62 g/t Gold ("Au"), 0.46% Lead ("Pb") and 0.18% Copper ("Cu")
- SM20-024 Interval 1: 18.50 metres grading 4.50% Zn, 140.1 g/t Ag, 2.35g/t Au, 0.64% Pb and 0.19% Cu
    - Including: 3.90 metres grading 8.43% Zn, 182.7 g/t Ag, 0.95 g/t Au, 1.17% Pb and 0.11% Cu
- SM20-025 Interval 1: 13.64 metres grading 3.40% Zn, 119.9 g/t Ag, 3.28 g/t Au, 0.22% Pb and 0.33% Cu
    - Including: 4.69 metres grading 7.98% Zn, 150.3 g/t Ag, 4.85 g/t Au, 0.26% Pb and 0.42% Cu

Note: ALS Global completed the analytical work with the core samples processed at their preparation facility in Reno, Nevada, U.S.A. All analytical and assay procedures are conducted at the ALS laboratory in North Vancouver, BC. Reported widths are drilled core lengths as true widths are unknown at this time. It is estimated based upon current data that true widths might range between 60-80% of the drilled intersection.

John Wilton, President and CEO of BeMetals commented, "We are pleased with the achievements made at the South Mountain Project this year. Despite logistical and other challenges related to the ongoing COVID-19 pandemic, and after a late start to the 2020 field season, our team is currently completing the final drill holes of a planned 2,400 metre drill program, and importantly we have done so safely.

These results have confirmed the significant component of precious metals associated with the high-grade zinc mineralization. The precious metal grades are demonstrated, for example, in the drilled width gold intercepts of; 5.16 g/t over 5.82m in SM20-023, 3.65 g/t over 10.24m in SM20-024, and 3.28 g/t over 13.64 in SM20-025.

This drill program is intended to extend mineralization in the DMEA and Texas zones, and based on the data we have seen thus far, we are confident that the program will deliver in adding significant tonnage to an updated mineral resource estimate for South Mountain by around the end of Q1 2021, subject to timing of analytical results from the laboratory. The drilling should finish later this week and our next set of ongoing results is expected early in the New Year. Additional metallurgical and hydrology testing as well as rock mechanics and mine modelling are scheduled for the first half 2021 and then we look forward to completing a Preliminary Economic Assessment ("PEA") for South Mountain towards the middle of 2021 as anticipated."

PHASE 2 DRILLING AT THE SOUTH MOUNTAIN PROJECT
This 2020 phase 2 program is designed to extend the mineralized bodies at the Texas Zone and infill key areas of the DMEA Zone. In September, the Company commenced drilling from the Muck Bay #5 drill station with the objective of confirming the grades and continuity of the down and up-plunge mineralization of the

DMEA Zone. Based on today's drilling results, we have also successfully extended the mineralization in both directions (See Table 1 and Figure 1 below), and the grades continue to remain high, with a significant precious metal component to the mineralization.

Holes SM20-023, SM20-024 and SM20-025 intersected high-grade polymetallic mineralization below the Sonneman Level and hole SM20-022 intersected additional mineralization above Sonneman. Importantly, these drilling results provide improved grade continuity and have extended areas of the DMEA Zone mineralization. The results in table 1 confirm the high-grade and polymetallic nature of this mineralization. The deeper intervals in hole SM20-025 returning relatively high gold and silver values compared to zinc, are supported by geological observations indicating that these zones are typical of other holes known to have intersected the margins of massive sulphide shoots. Hole SM20-025, Interval 3 appears to link to the deepest intersection of mineralization so far drilled on the property in hole SM19-014, (See BMET news release dated January 20, 2020) and ultimately may form an additional eastern body to the DMEA Zone with further drilling.

The first 6 holes of this program focused on drilling the DMEA Zone while our mining contractor worked on opening and enlarging the far southeastern section of the Sonneman level to build a new Texas Zone drill station (Known as Muck Bay #10). This mining was completed and the required utilities installed to allow for the underground drilling. The team is now drilling from the new Texas Drill Station, which is situated closer to the targets within the Texas Zone (See Figure 1). The Company has already drill tested a number of high-priority targets within this zone and results will be released in batches in early 2021. Historically, the Texas Zone has returned high-grade copper and zinc mineralization with a significant credit of silver and gold.

Table 1. Analytical and Assay Results For Drill Holes SM20-022 to SM20-025

Drill Hole ID, Zone & Interval	From (m)	To (m)	Core Interval (m)	Zn %	Ag g/t	Au g/t	Pb %	Cu %
DMEA Zone								
SM20-022								
INTERVAL 1:	46.85	56.78	9.94	3.64	67.54	0.08	0.06	0.64
INCLUDING:	54.25	56.78	2.53	9.48	170.3	0.16	0.13	2.15
SM20-023								
INTERVAL 1:	64.28	69.31	5.03	8.13	153.6	0.44	0.51	1.24
INTERVAL 2:	69.31	83.97	14.66	8.81	90.7	2.62	0.46	0.18
INCLUDING:	69.31	75.86	6.55	13.17	77.4	1.06	0.21	0.13
AND INCLUDING:	78.15	83.97	5.82	7.32	138.4	5.16	0.90	0.30
INTERVAL 3:	89.03	97.23	8.20	7.02	176.6	0.60	0.25	1.35
SM20-024								
INTERVAL 1:	83.88	102.38	18.50	4.50	140.1	2.35	0.64	0.19
INCLUDING:	83.88	87.78	3.90	8.43	182.7	0.95	1.17	0.11
AND INCLUDING:	92.14	102.38	10.24	4.82	132.4	3.65	0.56	0.25

SM20-025								
INTERVAL 1:	86.12	99.76	13.64	3.40	119.9	3.28	0.22	0.33
INCLUDING:	87.84	92.54	4.69	7.98	150.3	4.85	0.26	0.42
INTERVAL 2:	116.58	123.78	7.19	2.50	74.4	1.25	0.22	0.09
INTERVAL 3:	176.72	196.20	19.48	0.36	173.5	2.17	0.43	0.12
INCLUDING:	184.10	191.89	7.79	0.83	307.1	2.66	0.82	0.13

Note: Reported widths are drilled core lengths as true widths are unknown at this time. It is estimated based upon current data that true widths might range between 60-80% of the drilled intersection. Intervals cut offs are based upon visual contacts of massive sulphide units with no more than 1.06 metres of internal skarn. For holes SM20-022 and SM20-023, a nominal 5% zinc cut off has been applied to determine the boundaries of the intersections for this skarn hosted mineralization with no more than 6m of internal dilution. Table 2 below documents; Drill Hole Azimuth, Dip, end of hole length, and Collar Co-ordinates (Note: See details below in QA/QC section).

Figure 1: 3D Perspective View inclined at 20 degrees looking north-north-east, showing locations of drill holes SM20-022 to SM20-025 and rib-sampling

Table 2: Drill Hole Azimuth, Dip, End of hole length and Collar Co-ordinates

Hole ID	Azimuth Degree	Dip Degree	End of hole Length (m)	East (ft.)	North (ft.)	Elevation (ft.)
SM20-022	084	+20	78.94	2311176.63	394116.24	6864
SM20-023	150	-35	122.83	2311177.22	394106.26	6864
SM20-024	165	-50	124.97	2311177.22	394106.26	6864
SM20-025	195	-61	253.59	2311177.22	394106.26	6864

QUALITY ASSURANCE AND QUALITY CONTROL PROCEDURES
The project employs a rigorous QC/QA program that includes; blanks, duplicates and appropriate certified standard reference material. All samples are introduced into the sample stream prior to sample handling/crushing to monitor analytical accuracy and precision. The insertion rate for the combined QA/QC samples is 10 percent or more depending upon batch sizes. ALS Global completed the analytical work with the core samples processed at their preparation facility in Reno, Nevada, U.S.A. All analytical and assay procedures are conducted in the ALS facility in North Vancouver, BC. The samples are processed by the following methods as appropriate to determine the grades; Au-AA23-Au 30g fire assay with AA finish, ME-ICP61-33 element four acid digest with ICP-AES finish, ME-OG62-ore grade elements, four acid with ICP-AES finish, Pb-OG62-ore grade Pb, four acid with ICP-AES finish, Zn-OG62-ore grade Zn, four acid digest with ICP-AES finish, Ag-GRA21-Ag 30g fire assay with gravimetric finish.

THE SOUTH MOUNTAIN PROJECT
South Mountain is a polymetallic development project focused on high-grade zinc and is located approximately 70 miles southwest of Boise, Idaho (see Figure 3). The Project was intermittently mined from the late 1800s to the late 1960s and its existing underground workings remain intact and well maintained. Historic production at the Project has largely come from high-grade massive sulphide bodies that remain open at depth and along strike. According to historical smelter records, approximately 53,642 tons of mineralized material has been mined to date. These records also indicate average grades; 14.5% Zn, 363.42

g/t Ag, 1.98 g/t Au, 2.4% Pb, and 1.4% Cu were realised (See NI 43-101 Technical Report: Updated Mineral Resource Estimate for the South Mountain Project, dated May 6, 2019, Section 6.4 - Table 6.4 for more details. Available on the BeMetals website and at www.sedar.ca). Thunder Mountain Gold Inc. purchased and advanced the project from 2007 through 2019, with expenditures into the project of approximately US$12M. The current mineral resource estimate of the deposit is detailed in Table 3 below and the Company expects to provide a revised mineral resource update following a phase 2 drilling program in 2020.

BeMetals has formed a Boise, Idaho-based project team that is focused on advancing South Mountain. This team includes key management of Thunder Mountain Gold Inc., Optionees of the Property. The project team have completed re-establishment of the Project site and conducted the Phase 2 drilling. The team continues to build and maintain strong relations with local communities relevant to the South Mountain Project.

The Project is largely on and surrounded by private surface land, and as such, the permitting and environmental aspects of the Project are expected to be straightforward. Permits are in place for underground exploration activities and BeMetals does not anticipate significant barriers to any future development at the Project.

Figure 2: Project Location Map

Table 3. NI 43-101 Mineral Resource Statement for the South Mountain Project - April 1, 2019

Mineral Resources at 6.04% ZnEq Cut-off

	Zinc Equivalent Resource			Contained Metal								
Classification	Short Tons x1000	ZnEq lbs x1000	ZnEq %	Zn lbs x1000	Zn%	Ag oz. x1000	Ag opt (g/t)	Au oz. x1000	Au opt (g/t)	Pb lbs x1000	Pb %	Cu lbs x1000
Measured	63.2	22,200	17.57	14,700	11.64	237	3.745 (116 g/t)	4.0	0.063 (1.96 g/t)	600	0.483	700
Indicated	106.7	37,800	17.72	21,500	10.08	576	5.398 (168 g/t)	7.0	0.066 (2.05 g/t)	2,100	0.983	1,600
Measured + Indicated	169.9	60,000	17.66	36,200	10.66	813	4.783 (149 g/t)	11.0	0.065 (2.09 g/t)	2,700	0.797	2,300
Inferred	363.2	120,800	16.63	70,500	9.70	2,029	5.585 (174 g/t)	16.3	0.045 (1.49 g/t)	8,700	1.202	5,200

1. The effective date of the mineral resource estimate is April 1, 2019. The QP for the estimate is Mr. Randall K. Martin of Hard Rock Consulting, LLC, is independent of BeMetals Corp.
2. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Inferred mineral resources that are part of the mineral resource for which quantity and grade or quality are estimated on the basis of limited geologic evidence and sampling, which is sufficient to imply but not verify grade or quality and continuity. Inferred mineral resources may not be converted to mineral reserves. It is reasonably expected, though not guaranteed, that the majority of Inferred mineral resources could be upgraded to Indicated mineral resources with continued exploration.

3. The mineral resource is reported at an underground mining cutoff of 6.04% Zinc Equivalent ("ZnEq") within coherent wireframe models. The ZnEq. calculation and cutoff is based on the following assumptions: an Au price of US$1,231/oz., Ag price of US$16.62/oz., Pb price of US$0.93/lb., Zn price of US$1.10/lb. and Cu price of $2.54/lb.; metallurgical recoveries of 75% for Au, 70% for Ag, 87% for Pb, 96% for Zn and 56% for Cu, assumed mining cost of US$70/ton, process costs of US$25/ton, general and administrative costs of US$7.50/ton, smelting and refining costs of US$25/ton. Based on the stated prices and recoveries the ZnEq formula is calculated as follows; ZnEq = (Au grade * 43.71) + (Ag grade * 0.55) + (Pb grade * 0.77) + (Cu grade * 1.35) + (Zn grade).
4. Rounding may result in apparent differences when summing tons, grade and contained metal content. Tonnage and grade measurements are in imperial units.

About BeMetals Corp.
BeMetals is a new precious and base metals exploration and development company focused on becoming a leading diversified metal producer through the acquisition of quality exploration, development and potentially production stage projects. The Company is searching globally for an entry-level precious metals project while progressing both its advanced high-grade, zinc-silver-gold-copper polymetallic underground exploration at the South Mountain Project in Idaho, and its tier-one targeted, Pangeni Copper Exploration Project in Zambia. A strong board and management team, founders and significant shareholders of the Company, who have an extensive proven record of delivering considerable value in the mining sector through the discovery, construction and operation of mines around the world, lead BeMetals' growth strategy.

The technical information in this news release for BeMetals has been reviewed and approved by John Wilton, CGeol FGS, CEO and President of BeMetals, and a "Qualified Person" as defined under National Instrument 43-101.

On Behalf of BeMetals Corp.
"John Wilton"
John Wilton
President, CEO and Director

For further information about BeMetals please visit our website at www.bemetalscorp.com and sign-up to our email list to receive timely updates, or contact:
Derek Iwanaka
Vice President, Investor Relations & Corporate Development
Telephone: 604-609-6141
Email: diwanaka@bemetalscorp.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements
This news release contains "forward-looking statements" and "forward looking information" (as defined under applicable securities laws), based on management's best estimates, assumptions and current expectations. Such statements include but are not limited to, statements with respect to the plans for future exploration and development of the South Mountain and Pangeni projects, and the acquisition of additional base and/or precious metal projects. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "expects", "expected", "budgeted", "forecasts" , "anticipates" "plans", "anticipates", "believes", "intends", "estimates", "projects", "aims", "potential", "goal", "objective", "prospective", and similar expressions, or that events or conditions "will", "would", "may", "can", "could" or "should" occur. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those expressed or implied by such statements, including but not limited to: the actual results of exploration activities, the availability of financing and/or cash flow to fund the current and future plans and expenditures, the ability of the Company to satisfy the conditions of the option agreements for the South Mountain Project and/or the Pangeni Project, and changes in the world commodity markets or equity markets. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The forward-looking statements and forward looking information are made as of the date hereof and are qualified in their entirety by this

cautionary statement. The Company disclaims any obligation to revise or update any such factors or to publicly announce the result of any revisions to any forward-looking statements or forward looking information contained herein to reflect future results, events or developments, except as require by law. Accordingly, readers should not place undue reliance on forward-looking statements and information. Please refer to the Company's most recent filings under its profile at www.sedar.com for further information respecting the risks affecting the Company and its business.

SOURCE: BeMetals Corp.

View source version on accesswire.com:
https://www.accesswire.com/620029/BeMetals-Confirms-Significant-Gold-and-Silver-Component-from-Its-Phase-2-Und