ASX Announcement

9 November 2018

Punta Corna Cobalt Project – Piemonte, Northern Italy
Maiden sampling confirms Co-Ni-Cu-Sb-Ag mineralisation

Highlights:

Preliminary grab and rock chip sampling from a number of sites across the Punta Corna Project (EL application) area return positive assay results including:

- **EMI004320: 1.69% Co, 1.40% Ni**
- **EMI004322: 3.39% Co, 2.54% Ni**
- **EMI004329: 3.11% Co, 2.82% Ni**
- **EMI004331: 1.57% Co, 0.92% Ni**
- **EMI004332: 2.69% Co, 2.10% Ni**
- **EMI004318: 3.76% Cu, 2.34% Sb, 902ppm Ag**
- **EMI004319: 1.19% Cu, 0.67% Sb, 158ppm Ag**
- **EMI004324: 6.08% Cu, 0.97% Sb, 496ppm Ag**

Figure 1: Reconnaissance field trip in October when grab & rock chip samples were collected

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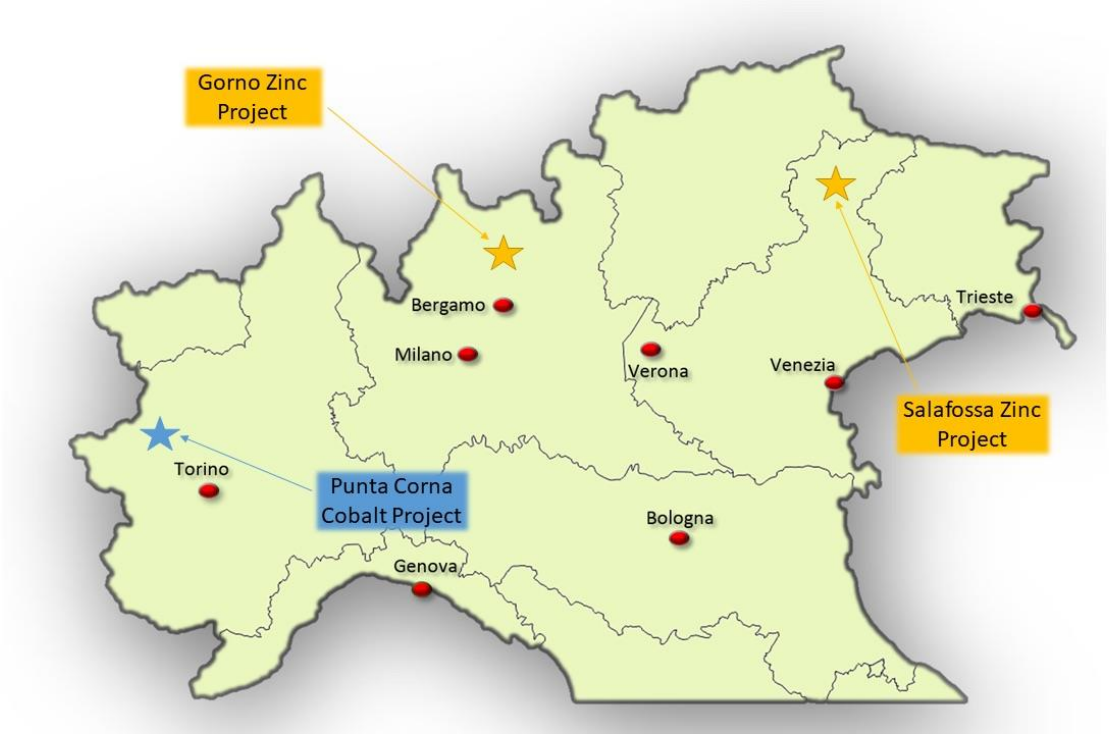

Figure 2: Location Map – Alta Zinc project portfolio in Northern Italy

Alta Zinc Limited (ASX: AZI) ("Alta" or the "Company") is pleased to announce that grab and rock chip samples collected during the reconnaissance field visit to Punta Corna have confirmed Cobalt (Cu), Nickel (Ni), Copper (Cu), Antimony (Sb) and Silver (Ag) mineralisation from a variety of sample sites across the Exploration Licence application[1] ("ELA" – see Figures 3 and 4 for details). The samples (see Table 1 below for assay results) were collected from or nearby several veins where cobalt was mined in the 18th Century.

Table 1: Assay results for Punta Corna maiden sampling program (Note: 10,000ppm = 1%)

Method	WEI-21	ME-ICP61a	ME-ICP61a	ME-ICP61a	ME-ICP61a	Ag-OG62		
	Wt	Co	Cu	Ni	Sb	Ag	Zone 32T	
Sample_ID	kg	ppm	ppm	ppm	ppm	ppm	Easting	Northing
EMI004317	1.57	10	<10	80	210	<1	357453	5013418
EMI004318	0.94	10	**37,600**	40	**23,400**	**902**	358603	5011150
EMI004319	1.03	2,470	**11,900**	1,700	**6,750**	**158**	359546	5013448
EMI004320	0.9	**16,900**	4,850	**14,000**	5,300	26	359633	5013411
EMI004321	0.74	**5,380**	1,680	**7,370**	2,170	23	358648	5013258
EMI004322	0.48	**33,900**	1,350	**25,400**	3,520	23	359128	5013242
EMI004324	0.3	70	**60,800**	50	**9,700**	**496**	358476	5013150
EMI004325	0.18	3,650	**6,570**	90	**16,700**	**90**	358846	5013469
EMI004326	0.74	**5,110**	910	**8,850**	870	12	358111	5013310
EMI004327	0.54	80	330	200	320	6	357726	5013164
EMI004328	1.47	670	270	120	320	5	357726	5013164
EMI004329	1.45	**31,100**	710	**28,200**	1,750	6	357721	5013163
EMI004330	1.61	40	3,070	120	2,030	26	358987	5013409
EMI004331	2.07	**15,700**	5,780	**9,240**	4,100	60	358987	5013409
EMI004332	2.13	**26,900**	2,180	**21,000**	3,250	25	358987	5013409

[1] *The Company has complied with application procedures & submitted information requested by the Authorities as part of the application review process, however, it is important to note there is no guarantee the Exploration Licence will be granted.*

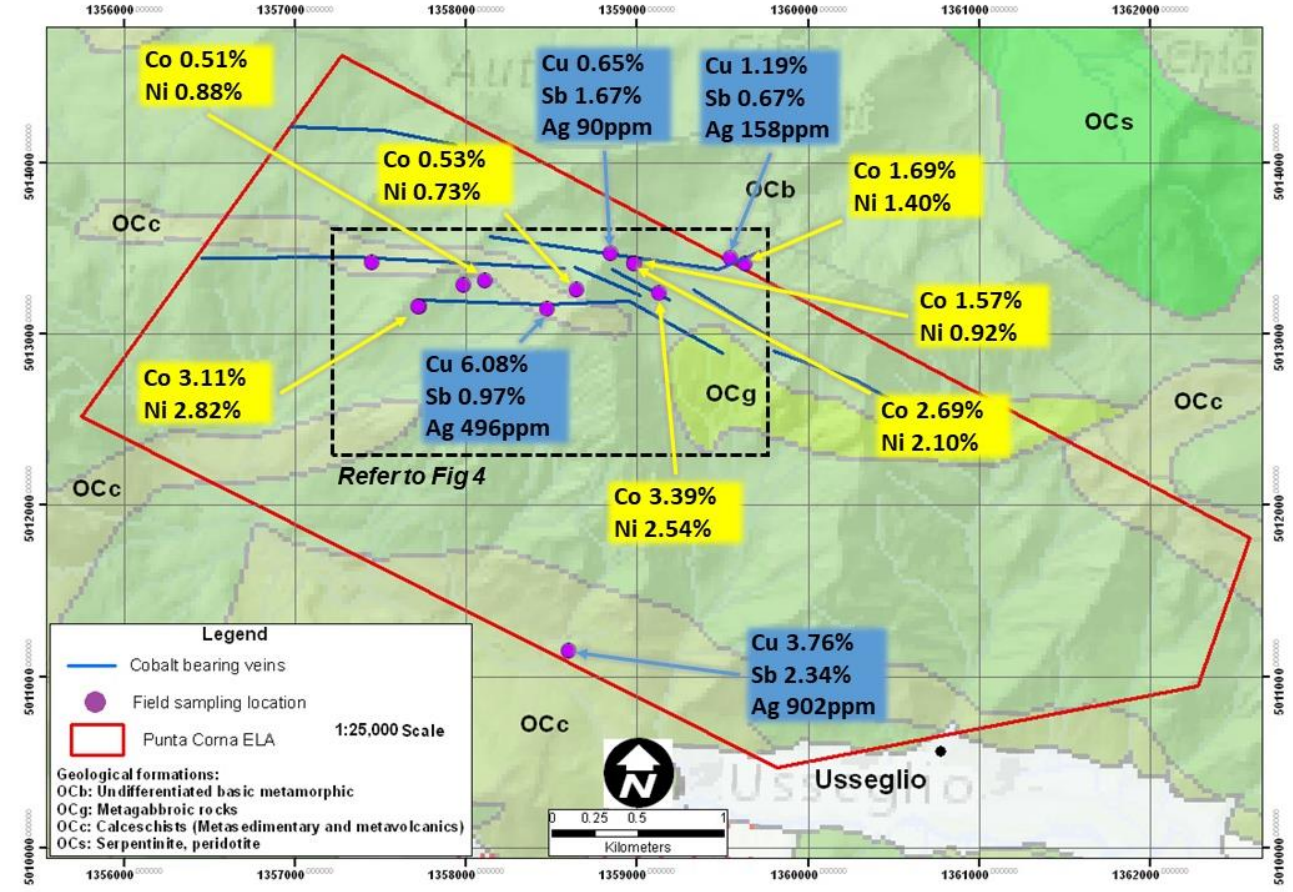

Figure 3: Punta Corna ELA showing general geology with sample locations and assay results

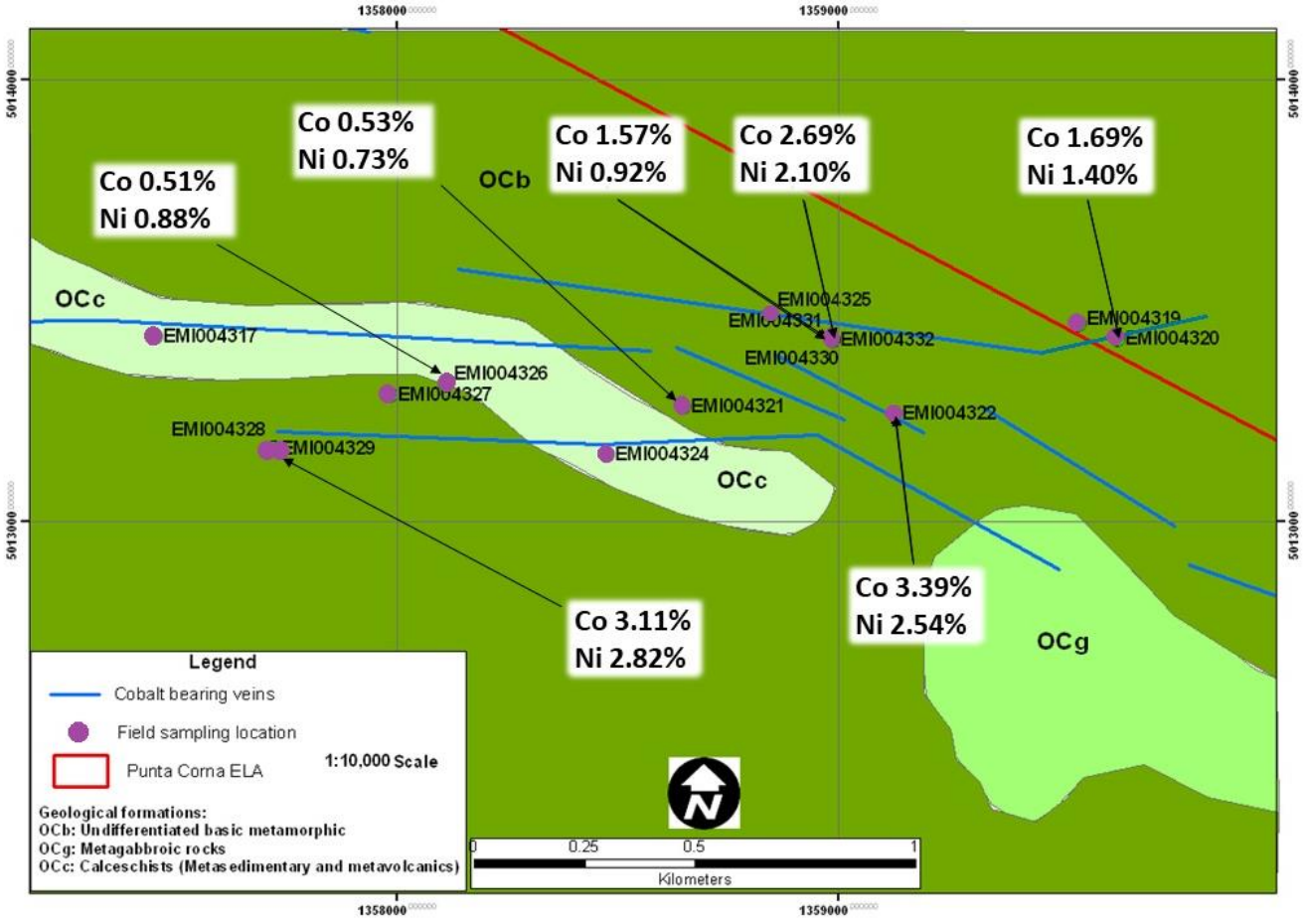

Figure 4: Location of highlighted cobalt samples

Figure 5: Photo looking west from historical mine cut in Cobalt bearing vein (sample location # EMI004329)

As mentioned in previous announcements[2], the Punta Corna mineralisation is part of a system of post-metamorphic hydrothermal vein swarms, mainly within the metabasites of the Piemonte Zone, and related to the circulation of hydrothermal fluids along extensional fractures at the end of the alpine orogenesis. The ELA includes two main areas occupied by ancient mining activity. The west side of the ELA includes mainly Fe deposits (Siderite) whereas old mining works for cobalt are present in the central part (see Figures 3 to 5 above).

[2] *Refer to ASX announcement of 20 March 2018.*

Figure 6: In-situ mineralisation from Cobalt bearing vein (sample location # EMI004332)

About Alta Zinc Limited

Alta Zinc Limited owns 100% of the historic Gorno Zinc Project, near Bergamo in the Lombardy region of northern Italy. The Company is committed to resuming mining activities, taking advantage of strong local support, excellent metallurgy, established infrastructure and favourable zinc market conditions. The Company also has an extensive zinc and base metals exploration portfolio in Italy and Australia. The Bergamo region of Italy has a long history of mining extending back to the Pre-Roman (Celtic) times. The Gorno underground zinc mine ceased operations in the early 1980s following a government directive for its then-owner SAMIM (a state-owned company and part of the ENI group) to focus solely on oil and gas. The intrinsic mineral economics had little to do with Gorno's premature closure, rather SAMIM was directed by the government to divest all its mineral projects globally and focus exclusively on oil and gas.

Competent Person Statement

Information in this release that relates to Exploration Results is based on information prepared or reviewed by Dr Marcello de Angelis, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Dr de Angelis is a Director of Energia Minerals (Italia) Srl and Strategic Minerals Italia Srl (controlled entities of Alta Zinc Limited) and a consultant of Alta Zinc Limited. Dr de Angelis has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr de Angelis consents to the inclusion in this release of the matters based on their information in the form and context in which it appears.

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JORC Code, 2012 Edition – Sampling

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Samples were collected using geo picks, or hammer and chisels to dislodge mineralisation from outcrops and mine dumps. Effort was made to ensure, where possible, that each individual sample was of similar size to others. The samples were dispatched using a reputable contract courier from site to the laboratory where it was dried, then crushed and pulverised to allow 85% to pass -75µm. A 0.15g-0.25g aliquot subsample of the pulverised sample was then dissolved in a four-acid digest, and then analysed using an ICP-AES or ICP-AAS technique to determine grades of the following elements Co, Cu, Fe, Ni, Sb, Ca, Mn, Pb, Zn, As, Ag, Ti. • Alta Zinc completed no QAQC, however laboratory QAQC was done and returned with no issues being noted. • Mineralisation is entirely contained in sulphide and weathered material. • Alta Zinc has exhaustive procedures and protocols in place to ensure that 'Industry Standard' is met as a minimum.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Not applicable
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximize sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Not applicable.

Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Basic hand specimen logging, including recognition of lithology and type of mineralisation, was carried out. • Qualitative only. • All samples were logged and photographed. • All samples where measured and recorded.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• No sub sampling was carried out. • Not applicable. • Not applicable. • Not applicable. • No duplicates were taken. • Sample weights were between 0.3, and 2.13 kg.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The digest method and analysis techniques are deemed appropriate for the samples. Four acid digestions are able to dissolve most minerals; however, although the term "near-total" is used, depending on the sample matrix, all elements may not be quantitatively extracted. The intended analysis techniques are ICP-AES (Atomic Emission Spectroscopy) and ICP-AAS (Atomic Absorption Spectroscopy typically used to quantify higher grade base metal mineralisation. • No geophysical tools, spectrometers or XRF instruments have been used. • QA/QC samples were not used.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• Samples were collected by Alta Zinc Italian personnel working in unison. • Not applicable. • Digital records and reports were generated. • No adjustment of assay data is required.

Criteria	JORC Code explanation	Commentary
	• *Discuss any adjustment to assay data.*	
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Not applicable. • The grid system used at Punta Corna is WGS_1984_UTM_Zone_32N. Easting and Northing are stated in metres. • Topographic control is from a total station measurement tied into multiple Italian Survey Control Points.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Not applicable. • Not applicable • Not applicable.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Not applicable. • Not applicable.
Sample security	• *The measures taken to ensure sample security.*	• Samples were dispatched from the Alta Zinc Italian office using a single reputable contracted courier service to deliver samples directly to the assay laboratory where further sample preparation and assay occurs.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Not applicable.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Punta Corna ELA is located in the Usseglio Municipality, Torino Province, Piemonte Region of Northern Italy. The ELA is free from encumbrances and excludes national parks and other wilderness areas. • The ELA is currently being processed for granting by the Regione Piemonte authority. • No impediments are foreseen in the granting of the EL, however, it is important to note there is no guarantee the Exploration Licence will be granted.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The ELA covers old mining sites where mining for cobalt was done in the 17th and 18th centuries and no modern exploration or mining has occurred since.
Geology	• Deposit type, geological setting and style of mineralisation.	• The Usseglio geology is essentially represented by an ophiolitic assemblage (mafic, ultramafic and sedimentary formations) of the Zona Piemontese (Piedmont Zone, Mid-Upper Jurassic in age). The formations are metamorphosed to greenschist and epidote-amphibolite facies; the rocks were tectonically deformed during the subsidence related to the Alpine orogenesis. The associated fractures host Fe and Co-Fe-Ni arsenide and sulphides, probably emplaced in veins by hydrothermal fluids that have leached minerals from the surrounding country rocks. The hydrothermal activity was possibly caused by synorogenic granitic and granodioritic plutons that intruded the basement formations during orogenic events, typically represented by the Monte Rosa and Gran Paradiso massifs, the latter being about 30km to the north-north-east of Punta Corna. The mineralisation is linked to ophiolites of the Piedmont Zone, namely epidote-amphibole prasinites (a term used for metamorphosed basalts of the central Alps), or to schistose serpentinites. The mineralised veins occur as generally east-west trending swarms, with lengths from 200 metres to as much as 3km and thickness from decimetres to 5-6 metres.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
		• Not applicable.
		• Not applicable.
		• No drilling done.

Criteria	JORC Code explanation	Commentary
	○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable. • Not applicable. • No metal equivalents are used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Not applicable. • Not applicable. • Not applicable.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Not applicable.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• The results reported in the above text are comprehensively reported in a balanced manner.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• Not applicable
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Future work at Punta Corna would include activities to test for continuity of mineralisation, definition of other Co-bearing veins and regional exploration works. • Not applicable.