

ASX Announcement

9 April 2020



CORPORATE UPDATE: REDUCTION IN DIRECTORS CASH COMPENSATION IN RESPONSE TO COVID-19

Alta Zinc Limited (Alta Zinc or the Company) (ASX: AZI) advises that is implementing a number of cost saving initiatives in response to the COVID-19 pandemic. These measures are to ensure the Company can conserve its cash reserves and maximise exploration expenditure where possible until drilling operations can recommence (see ASX release dated 13 March 2020). Analysis of drilling samples that were dispatched prior to suspension of the program and the review of historical mining and exploration data from Gorno to evaluate the potential for additional exploration targets will continue.

The directors of Alta Zinc have agreed to have their cash compensation reduced by 50 per cent for a period of up to 6 months, with effect from 1 April 2020. In lieu of the reduction in cash compensation, the Directors are considering a proposal for their deferred fees for the period to be satisfied by the issue of equity compensation. Details of any proposed equity compensation shall be provided in due course once finalised and will be subject to shareholder approval.

A detailed review has also been undertaken of all expenditures and where possible cost saving measures have been put in place. Where applicable, government funding is being sought to support the Company in maintaining its skilled workforce, to ensure that that drilling operations can be seamlessly resumed once conditions permit.

Geraint Harris, MD of Alta Zinc commented:

“Safety of our personnel and the community remains our key priority. While drilling is currently suspended, our geology team is continuing to evaluate results of samples already dispatched to the laboratory as they become available. Our team are also undertaking further reviews of historical mining and exploration data from Gorno to evaluate the potential for additional exploration targets. The cost saving measures will help us to ensure that we retain key skills and knowledge in the Company. So, as the drilling equipment remains mobilised at site, we will be operationally ready to resume drilling as soon as safe and practical.”

Authorised for ASX release by Mr Geraint Harris (Managing Director).

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