Metallis Expands the Cliff Porphyry Copper-Gold System for a Strike Length of 3km on the Kirkham Property

VANCOUVER, Feb. 20, 2020 /CNW/ - **Metallis Resources Inc. (TSX-V: MTS; OTCQB: MTLFF)** (the "Company" or "Metallis") is pleased to announce the second set of assay results from the Company's 2019 drilling program (the "Program"). The Program has now expanded the Cliff porphyry copper-gold system northward for a strike length of 3km along the 7.5km Hawilson Monzonite Porphyry Complex at its 100%-owned Kirkham Property. The Kirkham Property is located within the prolific Eskay Camp of the Golden Triangle, northwestern British Columbia.

The Program was designed to establish the continuity and controls on mineralization in some of the untested areas with more challenging topography and access. The drilling assays have confirmed large areas of near surface gold-rich mineralization along structural pathways, a unique setting which could yield greatly improved mine economics of the system.

Highlights

- KH19-27, drilled 1.2km to the north of Cliff, has now confirmed a 3km long porphyry system of near surface bulk-tonnage style copper-gold mineralization between the Cliff and Miles zones (Click here to view map)
- Gold-rich mineralization in KH19-27 correlates with massive sulphide veins along syn-mineral conjugate faults and breccias identified as future exploration targets (Click here to view long section)
- Interpretation of the updated 3D geological modelling has revealed two sub-parallel zones of copper-gold mineralization striking N15°E and dips ~70° to the east leaving a substantial gap of untested area open laterally and vertically. (Click here to view 3D geological model video).

Metallis' technical team has identified a structural control of mineralization. The hanging wall and footwall of the northeast oriented fault host two sub-parallel zones correlated with potassically altered Monzonite porphyry intrusions. An important development in the geological understanding is that the intensity of alteration, veins and chalcopyrite-pyrite ratios increases with depth. This pattern combined with 3D distribution of copper-gold grades vector towards a high-temperature, well-mineralized potassic core to be drill tested at lower elevations.

The Cliff Porphyry System shares similar geological characteristics, metallogeny and copper-gold grades with that of the nearby Kerr Deposit of Seabridge Gold's KSM project. The fault bounded porphyry dikes, hydrothermal breccias, alteration patterns and copper-gold grades (See Table 1) are all shallow features which reflect the tip of a large porphyry system preserved at depth. The distribution of near surface mineralization represents an ideal open-pit extraction scenario during an initial development stage. **The 2019 results, together with previous results, are tabulated below.**

Table:1 Summary of the 2009 and 2019 Assay Results at Miles zone

Hole_ID	From (m)	To (m)	Length (m)	AuEq (g/t)*	Au (g/t)	Cu (%)	Mo(g/t)
MD09-03	18	91	73	**0.34**	0.22	0.07	21.7
Incl.	18	52	34	**0.42**	0.28	0.09	29.8

MD09-03	150	208	58	**0.35**	0.21	0.09	30
MD09-04	19.5	82	62.5	**0.27**	0.11	0.11	19.9
MD09-05	9.1	147	137.9	**0.28**	0.16	0.08	18.1
MD09-05	247	301.5	54.5	**0.39**	0.36	0.02	4.98
KH19-26	No Significant Mineralization						
KH19-27	130.5	215	84.5	**0.35**	0.18	0.09	24.6
Incl.	130.5	164	31.5	**0.48**	0.2	0.17	60.4

Metal Prices used: Gold = US$1470/oz, Copper = US$2.75/lb Molybdenum = US$10/lb

Metallis Resources' Vice President of Exploration, David Dupre stated, "We are extremely proud of our early exploration achievements derived from only 17 drill holes at the Cliff Porphyry System. Rarely has a Porphyry Copper-Gold project with significant upside potential been advanced so rapidly".

Chief Geologist, Dr. Razique noted "Our updated 3D geological modelling and structural reconstruction has revealed that the Cliff is a substantial porphyry system capped by a series of northeast trending sub-parallel mineralized zones linked to a much larger magmatic-hydrothermal system underneath".

The Company also reports geological modeling and advanced porphyry vectoring and fertility tools ("PVFTs"), using chemical compositions of hydrothermal alteration zones is underway to predict the likely direction and distance to mineralized centers. The results of the "PVFTs" combined with existing hyperspectral surveys and 3D models are being interpreted to discover the higher-grade core zones of the Cliff Porphyry system.

QAQC Procedure

Metallis Resources has implemented a rigorous quality assurance / quality control (QA/QC) program to ensure best practices in the diamond drill core sampling and analysis. The initial sample preparation was carried out at the ALS facility in Terrace, BC, whereas, the geochemical analysis was performed at the ALS laboratory in North Vancouver. Assay values are uncut. For gold, fire assays are performed as per ALS method Au-AA26 (0.01- 10.00 g/t Au) using 50 grams of sample measured by atomic absorption (AA). Assays equal to or greater than 10 g/t Au are reanalyzed gravimetrically by method Au-GRA22. Silver and copper are analyzed by ALS method ME-MS61 with a 4-acid digestion followed by ICP-MS analysis.

Qualified Person

David G. Dupre, P.Geo., Vice President, Exploration for Metallis Resources Inc. and a Qualified Person as defined by NI 43-101, has reviewed and approved the technical information in this press release.

About the Kirkham Property

The 106 sq. km Kirkham Property totals 10,610 Hectares and is located about 65 km north of Stewart, B.C., in the heart of the Golden Triangle's prolific Eskay Camp. The Property is 100% owned by the Company and is prospective for multiple deposit types and is in the prolific Eskay Camp of the Golden Triangle, northwestern British Columbia.

The northern border of Kirkham is contiguous to Garibaldi Resources' E&L Nickel Mountain Project. The northeast corner of Kirkham is within 12 km of the Eskay Creek mine while the eastern border is within 15 - 20 km of Seabridge Gold's KSM deposits and Pretium Resources' Brucejack mine.

About Metallis

Metallis Resources Inc. is a Vancouver-based company focused on the exploration of gold, copper, nickel and silver at its 100%-owned Kirkham Property situated in northwest British Columbia's Golden Triangle. Metallis trades under the symbol MTS on the TSX Venture Exchange and currently has 36,155,767 shares issued and outstanding.

On behalf of the Board of Directors:

/s/ "Fiore Aliperti"
Chief Executive Officer, President and Director

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CO: Metallis Resources Inc.

CNW 09:15e 20-FEB-20