

Phase 1 Field Results Include New 1-2Km Mineralized Zone, Drill Team Mobilized

VANCOUVER, BC, Aug. 27, 2020 /CNW/ - **Metallis Resources Inc.** (TSXV: MTS) (OTCQB: MTLFF) (FSE: 0CVM) (the "Company" or "Metallis") is pleased to announce preliminary results and provide initial geological observations from its Phase 1 - Field Program (the "Program") at its 100%-owned Kirkham Property (the "Property"). The Property is situated within the prolific Eskay camp of the Golden Triangle in northwest British Columbia, a district known for the past producing Eskay Creek and Snip gold mines, Seabridge's KSM porphyry deposits and Pretium's Brucejack gold mine.

The Company also announces that geological and pad building teams have been mobilized to the Property and the Phase 2 Drill Program will commence shortly.

Phase 1 Highlights

- The preliminary results of the IP survey conducted between the Cliff and Miles porphyry systems have identified an exciting 2 km zone of resistivity and chargeability anomalies that increases in size and strength as it moves northwards. These coincident anomalies are related to extensive porphyry style mineralization. All the final geophysical results will be released upon completion, data verification and interpretation of the raw field measurements.
- Re-logging of over 10,000m of drill core has:
 - Identified two clear Porphyry rock types within the Hawilson Monzonite ("HM"). The primary, well mineralized Porphyry ("MP") is commonly present near the western margin. Typically, this MP contains higher-grade copper/gold mineralization with the grades increasing with depth. The MP is cut by a secondary coarse-grained porphyry ("CP") which carries rafts and xenoliths of the highly mineralized MP and siltstone units upwards from lower depths. This significant observation confirms that much higher-grade mineralization likely occurs below the previously drill-tested areas. Initial drill holes are designed to test the depth potential of the MP ([Click here to see schematic](#));
 - Revealed a calcareous siltstone unit forming an approximate 1-2 km long halo of high-grade gold mineralization. Gold grades as high as 14.2 g/t over 3 m (KH18-14) are associated with stockwork quartz-carbonate-sulphide veins, hydrothermal breccias and carbonate replacement textures. This confirms mineralization is present outside of the HM, where it was previously thought to be constrained by the Western and Eastern contacts. This now opens-up the whole of the eastern flank beyond the intrusive contact for further investigation;
- Field mapping, along with IP anomalies identified along the Cliff porphyry system, has further defined the shape of the HM, structural offsets and the control of mineralization, and;
- Analysis of over 580 Shortwave Infrared ("SWIR") measurements identified the abundance and distribution of white and green micas (phengite); a new guide utilized in targeting the location of high-grade core zones of the Cliff porphyry system.

The Copper-Gold mineralization in the Hawilson Monzonite and adjacent sediments at Cliff typically occur in the highest levels of porphyry systems, characterized by an abundance of sericite and chlorite alteration which has overprinted a potassic alteration assemblage. As part of the Program, all previously drilled core was re-logged for zoning patterns and crystallinity of sericite and chlorite alteration. Most of the drill holes identified favorable alteration and structural features attributed to the gold-rich mineralization in and around the Cliff porphyry system. Significantly, the last nine meters (494 - 502.9m) of drill hole KH18-15 returned gold grades from 0.24 to 0.96 g/t Au that are hosted by silicified and decalcified siltstone. This stratigraphic zone may extend for significant distances surrounding the Cliff porphyry system. This recently identified replacement-type disseminated gold mineralization can produce large gold ± copper deposits. Examples in BC are the Phoenix and Nickel Plate mines.

The SWIR and magnetic susceptibility data are used to identify compositional variations and crystallinity of sericite and chlorite as proxy for high-temperature central (high grade) parts of the deposit. The combination of IP anomalies, results from field mapping and drill core logging has provided an excellent guide to target the hidden parts of the porphyry copper-gold mineralization planned to be drilled this summer. The data points towards the high-grade core of a typical calc-alkaline porphyry system.

The well mineralized, main stage MP Porphyry exhibits intense potassic and sericitic alteration and vein stockwork copper-gold mineralization. The sericitic alteration is characterized by quartz-sericite-pyrite ("QSP") and remnant hydrothermal biotite (Potassic alteration), including early biotite veinlets. The potassic and QSP alteration is subsequently cut by a distinct episode of gold mineralization and later epithermal quartz ± calcite veins and chlorite-carbonate alteration assemblage. The field index and crystallinity of sericitic alteration shows a vertical and lateral transition from green sericite-chlorite to pale-green sericite, which confirmed increasingly high-temperature and higher Cu-Au grades associated with K-silicate alteration at depth.

Metallis' Chief Geologist, Dr. Raziq, stated "Positive correlation of the IP anomalies and the well-mineralized M-Porphyry is a major breakthrough in expanding the Cliff porphyry system at depth." He added, "the significance of gold mineralization outside what was previously thought as an area constrained by the eastern and western contacts is a massive breakthrough for us; it opens the potential for a substantial gold zone along the Eastern flank of the Hawilson Monzonite for over 2 km that will be drill tested this coming drill campaign"

Fiore Aliperti, Metallis' President and CEO commented, "Unfavorable weather conditions coupled with strict COVID protocols have presented many challenges to the team this year. They have shown great resilience and more importantly perseverance in not only getting the job done, but ensuring tasks are delivered to the high standard both management and investors are accustomed to." He went on to say, "the current IP survey is still ongoing, however, data from the Cliff to Miles section has been received and is currently being processed within 3D modelling software. We are excited by the preliminary results that have been received and look forward to sharing the final report with our investors in an upcoming News Release."

About the Kirkham Property

The 106 sq. km Kirkham Property 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 mineral deposit types. The property is located along a strategic geological boundary – the "Red-line" exposed on the western margin of the Eskay Rift system in 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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