Metallis Makes New Gold Discovery At Kirkham; Drills 1.21 g/t Au Over 32 Meters

VANCOUVER, BC, Feb. 10, 2021 /CNW/ - **Metallis Resources Inc.** (TSXV: MTS) (OTCQB: MTLFF) (the "Company" or "Metallis") announces the discovery of a substantial gold zone at the Company's Miles target which forms part of the larger 7.5km long Hawilson Monzonite Porphyry Complex (or "HM") at its 100%-owned Kirkham Property (the "Property"). The Property is situated in the prolific Eskay Camp of the Golden Triangle, northwestern British Columbia, a district known worldwide for the past producing Eskay Creek and Snip gold mines, Seabridge's KSM porphyry deposits and Pretium's producing Brucejack gold mine.

Highlights and Summary

- KH20-37 intersected **1.21 g/t Au** over **32 meters** ("**m**") within a broader gold zone of **0.63 g/t Au** over **83m** associated with highly silicified limey siltstone and sandstone units proximal to the Hawilson Monzonite Porphyry intrusions;
- KH20-37 discovered a near surface epithermal quartz-carbonate vein breccia with semi-massive pyrite containing **1.33 g/t Au** over **6m** including **3.97 g/t Au** over **1.8m**. (See Core Photo Fig-3 below); and
- The discovery of significantly higher gold grades in sediments now expands the mineralized corridor as a very large (200m wide x 500m long and 600m deep) footwall block coincident with a prominent IP Resistivity anomaly. The dimensions of the block are open in all directions.

Metallis President and CEO Fiore Aliperti commented, "Discovery hole KH20-37 is incredibly important for the Company and its shareholders. We have never been in doubt over the size potential of the Cliff and now we have added grade potential to the conversation. Significantly, this hole has confirmed the grade increases as we go deeper, a similar model with other Golden Triangle deposits in the area such as KSM and Red Chris." he added "The high-grade gold in the footwall rocks remain open to the north and south providing huge opportunity for further high-grade gold mineralization at depth. A key focus of 2021 will be the vertical and lateral expansion of this newly discovered gold zone."

Hole KH20-37 was part of the Company's 3,820m 2020 drill program (the "Program") focused on the southern 4km section of the HM, a gold rich corridor known as the Cliff Porphyry System (the "Cliff"). The Program was designed to test the application of Induced Polarization ("IP") technologies over the HM and outline the dimensions of the silicified gold zone with higher gold grades at depth (See News Release September 8, 2020).

Drilling KH20-37 from east to west at 60^0 inclination was exceptionally effective in cutting across the HM and the entire stratigraphic sequence that hosts the gold zone. It also tested the southern part of a large resistivity anomaly and confirmed the targeted deeper high grade gold mineralization within the explanatory siliceous sediments. A summary of the 2020 assays is given in Table 1 below. The gold zone is highlighted in the plan view map and 3D cross section (See Fig-1 and Fig-2 below).

Hole_ID	**From** (m)	**To** (m)	**Length** (m)	**Au** (g/t)	**Cu** (%)	**Ag** (g/t)	**Mo** (ppm)	**AuEq** (g/t)	**CuEq %**
KH20-37	133.00	139.00	6.00	**1.33**	0.02	2.53	4.52	**1.38**	1.14
	496.00	579.00	83.00	**0.63**	0.03	0.41	26.07	**0.68**	0.56
incl.	547.00	579.00	32.00	**1.21**	0.02	0.35	7.37	**1.24**	1.02
Previous Drilling Results									
MD09-03	9.53	203.00	193.47	**0.16**	0.06	0.73	24.23	**0.25**	0.21
incl.	42.00	89.00	47.00	**0.26**	0.08	0.96	15.13	**0.38**	0.32

and	150.00	203.00	53.00	**0.21**	0.09	0.87	31.07	**0.33**	0.28
MD09-05	9.10	54.00	44.90	**0.16**	0.10	0.66	10.74	**0.29**	0.24
	217.00	272.00	55.00	**0.36**	0.03	0.30	14.62	**0.40**	0.33

Table 1: Summary of the 2020 Assay Highlights in KH20-37 and Previous holes at Miles

**Copper equivalent grades ('CuEq %) are for comparative purposes only. Calculations are uncut and recovery is assumed to be 100% as no metallurgical data is available. The metal prices including: US$1700/oz Gold, US$20/oz Silver, US$3.0/lb. Copper & $9.0/lb. Mo. were used for ('AuEq g/t). *Lengths are downhole drilled core lengths. Drilling data to date is insufficient to determine true width of mineralization. *Intervals are calculated using a notional 0.20 g/t AuEq, a maximum of ten meters of internal dilution for porphyry-style mineralization and no top cut is applied.*

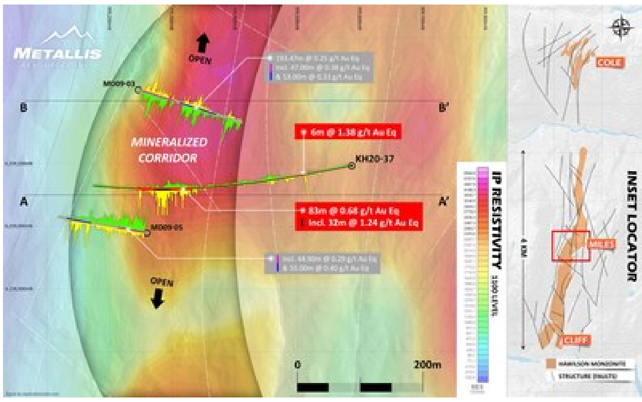

Figure – 1: Plan view map of the overlapping IP Resistivity High and Mineralized Corridor (CNW Group/Metallis Resources Inc.)

Discovery hole KH20-37 went through a broad zone of highly silicified calcareous sediments and vein breccias carrying 83m of 0.63 g/t Au including 32m of 1.21 g/t Au. The Gold-rich mineralization in KH20-37 and previous drill holes now confirm that mineral grades increase with depth. The gold grade in KH20-37 is twice that encountered in MD09-03 and MD09-05 which barely tested the upper part of the IP Resistivity High, 400m directly above the 83m intercept being reported. (See cross section Fig-2 below).

The structural architecture and the assays from KH20-37 and other holes in the area highlight the substantial upside potential for expansion of the gold zone along strike and again, as is the case with Red Chris and Saddle North, confirm that grade increases with depth. The Company now has enviable options including a near-surface bulk-tonnage and potential deep high-grade underground-style mineralization.

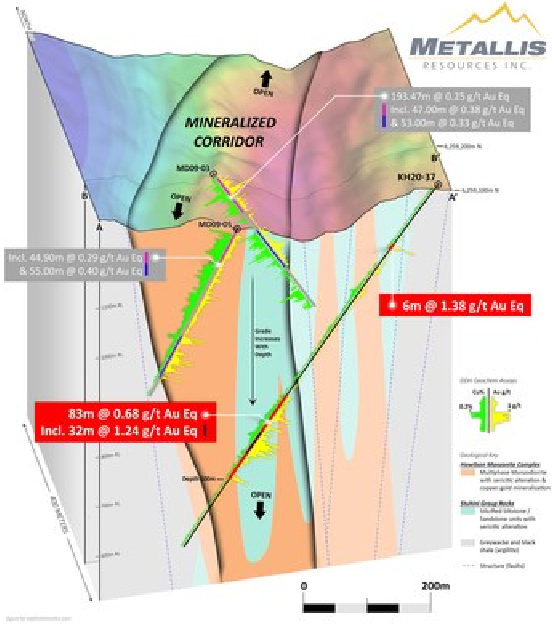

Figure - 2: 3D view of the Mineralized footwall block at Miles (CNW Group/Metallis Resources Inc.)

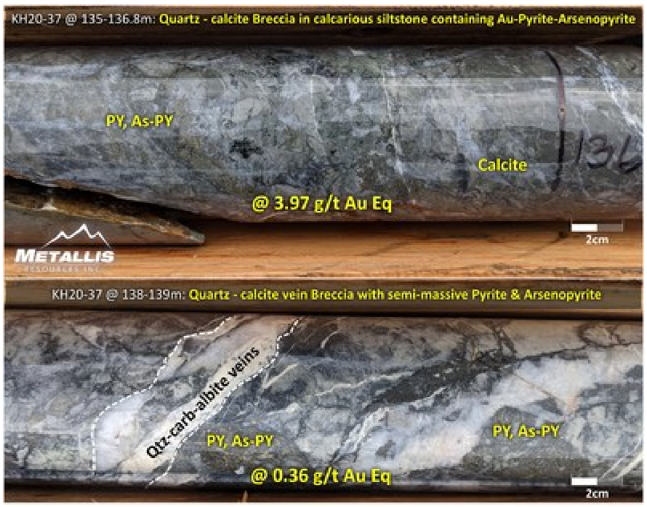

Figure – 3: Drill Core Photos from the discovery hole (KH20-37) at Miles (CNW Group/Metallis Resources Inc.)

Metallis' Chief Geologist – Abdul Razique, PhD., P.Geo. – commented: "The structural setting and steeply west dipping calcareous sedimentary rocks explains the litho-stratigraphic control of the auriferous fluids and the deposition of a substantial gold zone late in the magmatic-hydrothermal history of the system". He added, "This model has provided an outstanding opportunity for our team to identify further gold-rich mineralization at depth all along the 7.5km long Hawilson Monzonite Complex."

Assays from the other holes are currently being analysed, validated, and interpreted, with news to follow.

QSQC and Analytical Protocols

Metallis Resources has implemented a rigorous quality assurance / quality control (QA/QC) program to ensure best practices in sampling and analysis of diamond drill core. Drill core samples were prepared at MSA LABS' Preparation Laboratory in Terrace, BC and assayed at MSA LABS' Geochemical Laboratory in Langley, BC. Analytical accuracy and precision are monitored by the insertion of blanks, certified standards, and duplicate samples at regular intervals into the sample stream by Metallis Resources' personnel. MSA LABS quality system complies with the requirements for the International Standards ISO 17025 and ISO 9001. MSA LABS is independent of the Company.

Qualified Person

David Dupre, P.Geo, Vice President - Exploration and the Qualified Person, as defined by National Instrument 43-101, has reviewed, and approved the technical information contained in this release. Metallis believes historic results referenced herein (Table-1) to be from reliable sources using industry standards at the time. However, the Company has not independently verified, or cannot guarantee, the accuracy of this historic information.

About the Kirkham Property

The wholly owned 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 prospective for multiple mineral deposit types and 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 Kirkham Property is contiguous to Garibaldi Resources' E&L Nickel Mountain Project in the north and Eskay Mining Corp to the east. 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 symbols MTS on the TSX Venture Exchange, MTLFF on the OTCQB Exchange, and 0CVM on the Frankfurt Exchange. The Company currently has 44,060,433 common shares issued and outstanding.

On behalf of the Board of Directors:
/s/ "Fiore Aliperti"
Chief Executive Officer, President and Director

<u>CAUTION REGARDING FORWARD-LOOKING STATEMENTS</u>

This Press Release may contain statements which constitute 'forward-looking' statements, including statements regarding the plans, intentions, beliefs and current expectations of the Company, its directors, or its officers with respect to the future business activities and operating performance of the Company. The words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company, or its management, are intended to identify such forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future business activities or performance and involve risks and uncertainties, and that the Company's future business activities may differ materially from those in the forward-looking statements as a result of various factors. Such risks, uncertainties and factors are described in the periodic filings with the Canadian securities' regulatory authorities, including quarterly and annual Management's Discussion and Analysis, which may be viewed on SEDAR at www.sedar.com. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated, or expected.

Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as intended, planned, anticipated, believed, estimated, or expected. The Company does not intend, and does not assume any obligation, to update these forward-looking statements.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. The TSX-V Stock Exchange has neither approved nor disapproved the contents of this news release.

SOURCE Metallis Resources Inc.

View original content to download multimedia: http://www.newswire.ca/en/releases/archive/February2021/10/c3692.html

%SEDAR: 00025829E

For further information: Tel: 604-688-5077, Email: info@metallisresources.com, Web: www.metallisresources.com

CO: Metallis Resources Inc.

CNW 09:00e 10-FEB-21