

ARIZONA MINING moving zinc project towards feasibility

by Kathrine Moore

Arizona Mining Inc. [AZ-TSX] is preparing for a Preliminary Economic Assessment for its zinc-lead-silver Taylor deposit on its 100%-owned Hermosa-Taylor Project in southeast Arizona which the company expects to be completed by the end of Q1 2017, to be followed by a Feasibility Study expected to be completed by Q4 2017. Towards that end, Arizona Mining has drilled and reported on 56 drill holes of an ongoing 70-hole drill program.

Jim Gowans, CEO of Arizona Mining, said, "... drilling continues to deliver excellent results for both the infill and expansion of the Taylor deposit. The drill results and advanced metallurgical program currently underway will underpin the study."

There are 14 drill rigs on the property infill drilling and testing additional targets on the Hermosa Project where only 35% of prospective are has been drill tested.

A January 12 release reported Hole HDS-396 intersected 11 distinct mineralized CRD horizons with a total cumulative mineralized thickness of 947 feet. Several mineralized zones were intersected in the drill hole including a 524-foot thick interval assaying 8.5% zinc, 6.9% lead and 2.5 ounces per ton silver (opt). Within the larger interval several higher-grade zones were intersected, the best of which was a 104-foot thick interval which assayed 22.1% zinc, 14.6% lead and 5.6 opt silver. Gowans said, "HDS-396 is one of the best holes I have seen in my career."

Further highlights from hole HDS-396 include 33 feet assaying 3.9% zinc, 6.7% lead and 2.6 opt silver, 124 feet assaying 7.4% zinc, 14.8% lead and 5.2 opt. silver including a 45 foot zone which assayed 12.7% zinc, 31.7% lead and 10.4 opt silver. Visit the company's web site for complete drill results at www.arizonamining.com.

On January 26, Arizona Mining reported further excellent results. Gowans commented, "... the most notable interval in today's results is the high-grade, zinc/lead/silver from the lower portion of HDS-399. This is the best interval we have encountered to date from the lower carbonate sequence and provides encouragement for potential resource expansion at depth."

The Hermosa Project is in Arizona about 80 km southeast of Tucson and about 13 km north of the Mexican border; Arizona Mining holds patented mining claims totalling about 450 acres and unpatented mining claims totalling approximately 20,545 acres.

The company states that zinc inventories are at lowest point since 2010. In 2016, zinc prices improved significantly and prices are expected to continue to perform well into 2017. See *Zinc Outlook* page 40. In October 2016, Arizona Mining reported an updated resource of 31.1 million tons in the indicated resource category grading 10.9% zinc equivalent (ZnEq) plus 82.7 million tons of inferred resource grading 11.1% ZnEq, both reported in accordance with NI 43-101 guidelines utilizing a 4% ZnEq cutoff grade.

The Hermosa Project is expected to be an underground mine. The property is close to infrastructure with access to a power grid and natural gas and is less than 10 miles from Arizona State Highway 82 via a Santa Cruz County road. ■